

against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4049. Also, petition of George V. Brown and 24 petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4050. Also, petition of John O'Hare and 19 petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4051. Also, petition of Perry K. Sparks and 19 petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4052. Also, petition of Mrs. H. J. Haas and 19 petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4053. Also, petition of John Grigaltis and 20 petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4054. Also, petition of Shelby O. York and 19 petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4055. Also, petition of Richard Kanzler and 19 petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4056. Also, petition of R. F. Dempster and 19 petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4057. Also, petition of Fred Sinn and 19 petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4058. Also, petition of John Fabbio and 22 petitioners of St. Louis, Mo., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4059. By Mr. REED of Illinois: Petition of Nick C. Savone and 20 petitioners of Du Page County, Ill., protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4060. By Mr. SATTERFIELD: Petition of L. H. Waters and 59 citizens of the Third Congressional District of Virginia, urging the passage of House bill 2082, prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

4061. Also, petition of William J. McNamara and 22 members of the Eagles Home Club, of Richmond, Va., protesting against the enactment of any prohibition legislation; to the Committee on the Judiciary.

4062. Also, petition of Davis G. Bottom and 22 members of the Samis Grotto Club, of Richmond, Va., protesting against the enactment of any prohibition legislation; to the Committee on the Judiciary.

4063. Also, petition of F. H. Poston and 19 members of the Fort Mosby Social and Political Club, of Richmond, Va., protesting against the enactment of any prohibition legislation; to the Committee on the Judiciary.

4064. By Mr. TALLE: Resolution of the Iowa State Commerce Commission, opposing House bill 3420 on the grounds that its enactment would destroy the right of the several States to regulate intrastate service, rates, and operations of carriers by air and would assert the right of Congress to deprive the States of the right to regulate the intrastate services and rates of all forms of

transportation; to the Committee on Interstate and Foreign Commerce.

4065. By Mr. ROLPH: Resolution of Mission Parlor, No. 38, Native Sons of the Golden West, at San Francisco, respectfully requesting the President of the United States and Commander in Chief of the United States Army, to remove the war relocation centers from the jurisdiction of the War Relocation Authority, and place the same in charge of the United States Army; to the Committee on Military Affairs.

4066. Also, resolution of the Order of Railroad Telegraphers, at San Francisco; to the Committee on Military Affairs.

4067. By the SPEAKER: Petition of the executive secretary, League of California Cities, Los Angeles, Calif., petitioning consideration of their resolution with reference to post-war planning by the State and local government; to the Committee on Ways and Means.

4068. Also, petition of the Ninety-first Division Association, Inc., San Francisco, Calif., petitioning consideration of their resolution with reference to quotas on the growing of tobacco for the manufacture of cigarettes; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 14, 1943

The House met at 12 o'clock noon.

Rev. Edward Hughes Pruden, pastor, First Baptist Church, Washington, D. C., offered the following prayer:

Eternal God, our Heavenly Father, we thank Thee that in a rapidly changing world Thou art the same yesterday, today, and forever; that in a world filled with so many cruel and destructive forces Thou art our living and eternal Heavenly Father; that in a world with so much sin and transgression Thou art our adequate and only Saviour.

We look to Thee this day for the wisdom and understanding that is necessary for the proper carrying forward of our responsibilities. We know that without Thee we can do nothing, but that through Christ we can do all things.

As we meet together in this important assembly, help us to remember that we are not only the representatives of the people but that we are the representatives and ambassadors of Jesus Christ, our Lord, through whom we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 94. Joint resolution establishing the Filipino Rehabilitation Commission, defining its powers and duties, and for other purposes.

THE LATE MARVIN H. MCINTYRE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, in the passing on of Marvin H. McIntyre, the President has lost a loyal and devoted

friend and secretary, and the Nation, one of its most lovable and able sons.

Performing his serious duties and many confidential tasks quietly and efficiently, he impressed those who knew him with the fine attribute of loyalty he possessed and exemplified with his devotion to his Chief—the President of the United States; and underneath his kind and gentle personality the spirit of determination that enabled his frail body to physically carry on to points far beyond human endurance.

One of the definitions of "loyalty" or "loyal" is "true to any person to whom one owes fidelity; constant."

Marvin McIntyre, or "Mac" as he was fondly and respectfully called by his friends, was true and constant to President Roosevelt. It is a trait so lacking in many persons that when we meet one who possesses it we admire and respect him. Over and above all of the other fine qualities he possessed, Marvin McIntyre will be remembered for his unselfish, constant loyalty to the President and to his friends, and his untiring energy in expressing his loyalty by words and action.

When the history of President Roosevelt and of this trying period of our Nation's and the world's history is written in the future, the devotion and fidelity of Marvin McIntyre will receive prominence and proper recognition.

In his passing on, the Nation sustains a great loss.

To Mrs. McIntyre and her daughter and son, I extend my deep sympathy. I also know that my colleagues of the House, without regard to what side we sit on, join with me in expressing and conveying to them our profound sympathy in their great loss and sorrow.

DEFICIENCY APPROPRIATIONS BILL, 1944

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3598) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1944, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1944, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

[After a pause.] The Chair hears none, and appoints the following conferees: Mr. CANNON of Missouri, Mr. WOODRUM of Virginia, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. RABAUT, Mr. JOHNSON of Oklahoma, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. POWERS.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on two subjects and to include a short article in each.

The SPEAKER. Is there objection?

There was no objection.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to extend my remarks

in the RECORD and include an article by Mr. McLean, of Covington, Ky., on flood control, conservation of water, and propagation of fish.

The SPEAKER. Is there objection?
There was no objection.

Mr. HEFFERNAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial from the Brooklyn Eagle of November 26, 1943, on the death in action of my beloved friend and neighbor, Col. H. Gardiner Conroy.

The SPEAKER. Is there objection?
There was no objection.

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a resolution.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks and include an address by Mr. J. W. Fessler, of Indianapolis, Ind.

The SPEAKER. Is there objection?
There was no objection.

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Washington Star.

The SPEAKER. Is there objection?
There was no objection.

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial and a short magazine article.

The SPEAKER. Is there objection?
There was no objection.

THE MOSCOW CONFERENCE

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. SULLIVAN. Mr. Speaker, many battles and episodes have been scored as the turning point of this war for the United Nations. But today there is no question as to what episode marks the turning point of the peace and of world harmony. The recent successful conclusion of the historical conference between Roosevelt, Churchill, and Stalin, the chosen leaders of the three most powerful Allies, can rightfully accept the honor of being the first major step toward world peace.

This Nation can be proud of its part in this conference. It can be as proud of its part in this conference as it can be of its contribution to the actual military defeat of the Axis. And I will say here and now, that 2 years ago, that even 1 year ago, this Nation had not yet earned the right to sit in on any conference deciding the ultimate outcome of the war and the peace to follow. But today we stand once more as an honored Nation, a Nation whose sons' record in combat, and whose war production, have earned for it the right to sit with our allies, even though their sacrifices in human lives have been far greater than ours.

This Nation cannot afford to let those few of little minds who would decry and sabotage the effect of this great and historic conference have their way.

The courage, the wisdom, and the world view of President Roosevelt, our Commander in Chief, has presented this Nation with the greatest opportunity it has ever had to assist in assuring world peace. For the first time the leaders of the world's most productive peoples have met face to face. Met, in the words of the declaration: "With hope and determination"; left " * * * friends in fact, spirit, and purpose."

Upon this beginning the world can build a new human friendship, a productive universal peace, a progressive plan for human development.

Of Franklin D. Roosevelt, the man, the leader, the President, this Nation can be proud; and for him the entire world can be thankful.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that on tomorrow after the special orders heretofore provided for I may address the House for 20 minutes on the Bill of Rights.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that I may extend my own remarks in the RECORD and include therein excerpts from a radio address by Senator TYDINGS, of Maryland, on the soldiers' vote bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE FAIR EMPLOYMENT PRACTICES COMMITTEE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to extend my own remarks in the RECORD, and to include a couple of statements on the so-called Fair Employment Practices Committee's activities with reference to the southern railroads and the brotherhoods.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent that on tomorrow after the disposition of the business on the Speaker's table and other special orders I may address the House for 30 minutes.

The SPEAKER. Without objection it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a poem published in the Valley Times-Star of Newville, Pa.

The SPEAKER. Without objection it is so ordered.

There was no objection.

UNLAWFUL EXTENSION OF WAGES AND HOURS ACT

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mrs. BOLTON. Mr. Speaker, it has been brought to my attention through letters from a department store in Cleveland that the effort is being made to bring the retail business under the Wages and Hours Act. It was understood that the act did not apply to retail stores.

Because it is indicative of what private enterprise is facing, I am going to make this letter a part of my remarks. If you are not already aware of what is going on, of bureaucracy in action, it is well for you to know.

Recently we have been approached by an official representative of the Wage and Hour Division of the United States Department of Labor, who advised us that the Division would make an investigation to determine whether or not our store at Cleveland came under the Wages and Hours Act.

We were advised that due to the fact that we manufacture candy, which is delivered out of the State, this brought us under the act. The representative also stated that regardless of whether or not we shipped the candy direct to the customer or delivered it to him in our store, but knew that it was to be sent out of the State, we were subject to the provisions of the Wages and Hours Act. The representative also stated that our canteen shop, in which we sell boxes for soldiers, brought us under the act, although he conceded that nothing that went in these boxes was manufactured by us, but stated that the mere fact of assembling the merchandise and packing it for out-of-State or overseas shipment constituted production and, therefore, brought us under the act.

We were also advised changing buttons in our alteration department constituted manufacturing—that changing the trimming on hats was manufacturing—that assembling merchandise of different kinds through a transfer department, even though none of the merchandise was manufactured by us, brought us under the act.

When we read the provisions of the Wages and Hours Act to the representative and told him it was the plain intent of Congress not to include retailers, he made the statement that regardless of the intention of Congress, it was the present intention of the Administrator, wherever possible, to bring retailing under the act. We were advised that the Division was selecting certain stores and would attempt to bring these stores under the provisions of the Wages and Hours Act by assembling sufficient evidence to establish their contention.

We have been advised on many occasions that retailing does not come under the Wages and Hours Act. We understand, however, that Government agencies frequently pick and choose among possible cases until they find a set of facts which are most favorable to their contentions. They bring a suit on these facts and use a favorable decision as a precedent in other similar but weaker cases. From the Government's viewpoint, the weight of the precedent established in the first case then influences the court to rule for the Government in the succeeding cases.

Occasionally the Wage and Hour Division manages to persuade a company to stipulate

to a consent decree in which coverage of the act and past violations are admitted. While from a legal viewpoint, such a decree is of little value as a precedent, as a practical matter the publicity given to the decree (and the Wage and Hour Division and various reporting services give such decrees extensive publicity) induces the execution of still other consent decrees, and exerts considerable influence on a court which must rule on a similar, but contested case.

We are advised that retailers in other cities are now being approached along the same lines and an attempt is also being made to bring such retailers under the Wages and Hours Act.

We are strongly of the opinion that it was not the intent of Congress to include retailing under the provisions of the Wages and Hours Act and we, naturally, look upon this matter as quite serious. We think it is the beginning of a drive to have retailers, in general, covered by the Wages and Hours Act, even though such procedure is contrary to the desires of Congress. We anticipate that the Division will attempt to use our Cleveland store in order to accomplish their purpose.

Retailers are faced with many problems during these trying times and, frankly, we believe it unjust to burden them with unnecessary investigations such as the one contemplated by the Wage and Hour Division. If it was the intent of Congress to bring retailers under the act, then we would not be justified in this position, but we are convinced that the contemplated investigation is a means by which the Division is attempting to circumvent the powers of Congress and they are attempting to place a strained interpretation on the provisions of the Wages and Hours Act so as to make it applicable to retailing when it was clearly the intent of Congress not to do so.

Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech recently delivered by Governor Bricker of Ohio.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, the same being varied and sundry observations under the general title, "Campaign Facts, Not Campaign Oratory."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix and include therein a short editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOPE. Mr. Speaker, a few days ago I secured unanimous consent to extend my own remarks in the RECORD by including an address made by the Governor of Kansas. The Public Printer advises me it will slightly exceed the limit; that it will cost \$120. I ask

unanimous consent that it may be printed notwithstanding this estimate from the Printer.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MILLER of Connecticut. Mr. Speaker, I have a special order for today of 20 minutes. I ask unanimous consent that it be extended to 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

FAIR LABOR STANDARDS ACT

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. LAMBERTSON]?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, along the lines of the statement made by the gentlewoman from Ohio [Mrs. BORON] in reference to the extension of the Fair Labor Standards Act to retail merchants, may I say that I prophesied when the act was passed after attending the hearings 4 or 5 years ago that it would be the distinct intention of the administration to extend it to all labor. That has gradually, year by year, come to be true.

RETURN OF REPATRIATED AMERICAN CITIZENS

Mr. BREHM. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. BREHM]?

There was no objection.

Mr. BREHM. Mr. Speaker, it has been called to my attention that the repatriates returning on the *Gripsholm*, many of whom are physically and financially destitute, with no hope of rehabilitation for several years to come, must give notes to the Federal Government for their transportation back home.

Mr. Speaker, since we have been taking from the Treasury millions of dollars to rehabilitate the citizens of other nations, it seems to me that we could certainly afford to provide transportation for our own American citizens back to their native land.

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a certain editorial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

Mr. BROOKS. Mr. Speaker, I have two unanimous-consent requests—one to extend my own remarks in the RECORD in reference to official statistics obtained from the Veterans' Administration since June 30, 1943, on veterans' matters, and

to include a letter from the Louisiana department of the American Legion in reference to a compilation of statistics from American Legion headquarters.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. BROOKS]?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a poem by Mr. Horace C. Carlisle.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. SHEPPARD]?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island [Mr. FOGARTY]?

There was no objections.

LEGISLATION PERMITTING SAILORS AND SOLDIERS TO VOTE

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. EBERHARTER]?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, it may seem strange that I rise this morning to say a word in praise of the action taken by the Young Republican National Federation a few days ago in the adoption of a resolution urging Congress to enact legislation so that our soldiers and sailors can vote.

I hope my Republican colleagues to the left of the aisle will follow that recommendation and desert the leadership of the gentleman from Mississippi [Mr. RANKIN].

All of us know that the Rankin bill will not give the right to vote to our soldiers and sailors. The Rankin bill is not even a worthy gesture and will deceive nobody—least of all the boys and girls in the service when election time comes.

EXTENSION OF CERTAIN OIL AND GAS LEASES

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1576) to provide for the extension of certain oil and gas leases, the House Committee on Public Lands having reported favorably a House bill of similar language.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. PETERSON]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain what this bill does?

Mr. PETERSON of Florida. Mr. Speaker, this extends until December 31, 1944, rights under certain leases. Normally they would have expired on December 31 this year, but there has been difficulty in getting materials in many instances and if they expired now many

people who had worked under the leases would lose the benefit of their lease. These leases would be thrown open to bids. It was testified before the committee that the independent operators would probably be pushed out of the picture by the large oil companies. This bill has been unanimously reported by the House Committee on Public Lands.

Mr. BARRETT. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Wyoming.

Mr. BARRETT. I may say further than that, that a number of these 5-year leases issued in 1935 expire on December 31 of this year. Operations have been carried on, and operations are being carried on at the present time, but under the terms of the lease there must be production by the 31st of this month. In some cases they have been precluded from carrying on operations because of the manpower situation or because they could not get steel. This bill merely extends the life of the leases for 1 year.

Mr. MARTIN of Massachusetts. The Senate has already passed this bill?

Mr. PETERSON of Florida. Yes; the Budget has approved it and the House Committee on Public Lands unanimously reported it.

Mr. RANKIN. Mr. Speaker, reserving the right to object, and I shall not object, I want to say that the gentleman from Pennsylvania [Mr. EBERHARTER] a while ago certainly did not properly represent what the paper said about those young men who advocated letting the soldiers vote, and what he said about the Rankin bill was not what those young people said in their resolution. Those young people stated that they wanted the soldiers to have the right to vote under State laws. In other words, they did not ask us to violate the Constitution of the United States as the gentleman from Pennsylvania [Mr. EBERHARTER], and the gentleman from Pennsylvania [Mr. GUFFEY] would have us do.

Mr. EBERHARTER. Mr. Speaker, further reserving the right to object—

Mr. HOFFMAN. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. PETERSON]?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the first section of the act of July 29, 1942 (56 Stat. 726), entitled "An act to grant a preference right to certain oil and gas leases," is hereby amended by adding at the end thereof the following new sentence: "The term of any 5-year lease expiring prior to December 31, 1944, maintained in accordance with the applicable statutory requirements and regulations and for which no preference right to a new lease is granted by this section, is hereby extended to December 31, 1944."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 3807) was laid on the table.

THE RAILROADS AND THE PRESIDENT'S COMMITTEE ON FAIR EMPLOYMENT PRACTICES

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, yesterday the Members of the House received a letter from the railroad companies which in my opinion constitutes a sneak attack on the President's Committee on Fair Employment Practices. Instead of complying with an order which is in keeping with the war effort, instead of cooperating by using all available manpower, irrespective of race, creed, color, or national origin, these railroad companies have seen fit to send to this Congress a message misrepresenting what has been done and at the same time attacking the fundamental principles of democracy, for which American men are fighting and dying all over the world.

Mr. Speaker, I have sent a reply to the railroad companies and I ask unanimous consent to insert that in the Record at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The letter referred to is as follows:

DECEMBER 13, 1943.

Mr. ERNEST E. NORRIS,
Chairman, Southeastern Presidents' Conference, Washington, D. C.

DEAR SIR: I have read your letter to me of December 13, its accompanying enclosures, as well as the summaries, findings, and directives of the President's Committee on Fair Employment Practice, following hearings in which charges of violation of Executive Order 9346 on the part of the carriers you represent and other carriers were developed. Your letter invites the reply I make at this time.

Full consideration of all the facts forces me to state that your letter and the actions of the southeastern presidents' conference which it reflects are wholly lacking in patriotism which should characterize the actions of all Americans and all American corporations in this critical war period in the life of our country.

On June 25, 1941, the President of the United States and Commander in Chief of our armed forces, acting under wartime powers properly delegated to him by the Constitution of the United States and the acts of Congress, promulgated Executive Order No. 8802 providing that in the interest of the most efficient mobilization of America's manpower for the war effort there should be no discrimination in employment in war industry on the basis of race, creed, color, or national origin. That Executive order became the law of the land and corresponded precisely with the pressing war needs of this country for fullest mobilization of her manpower for victory. On May 27, 1943, the President issued Executive Order No. 9346, reemphasizing the principles established in Executive Order No. 8802.

Despite the clear expression on the part of our Commander in Chief in this matter, a full examination of the record fails to disclose a single action on the part of any carrier in your conference to end its practices

of discrimination against workers on the basis of race, creed, color, or national origin. In fact, shortly before the promulgation of Executive Order 8802, it was precisely your conference which entered into an agreement with certain railroad unions, whereby your Negro employees were placed in an even worse position of employment than had theretofore been your practice.

The hearings revealed evidence—evidence at no time contradicted by your counsel, who was present at the hearings—that there was an extreme shortage of manpower for the operation of our vital railroad industry. The evidence showed that Negro employees of your companies, with decades of experience as firemen and brakemen, were not being permitted to serve on Diesel engines; that freight cars containing vital war material needed by our fighting men, who were then giving up their lives on Guadalcanal, Sicily, and other theaters of war, were unable to move to ports of embarkation for the lack of sufficient competent firemen and brakemen, despite the fact that had the railroads used available competent Negro railroad workers, many lives of our gallant soldiers and marines might have been saved.

I am confident that you and your associates are fully aware that much-needed railroad manpower is going to waste because of your continued policy of discrimination against Negro workers. I am confident that you are fully aware of the fact that not only have you failed to use such manpower, but have only recently instituted practices leading to the diminution of Negro workers on your roads. Yet you seek refuge behind the claim that the prevailing sentiment in the area served by your lines will not tolerate the employment of Negro workers. Such a claim is false. Your own record of employment of Negroes will show that for decades you employed them as firemen and brakemen, with not the slightest disruption of service, and that only since the advent of the Diesel engines have you replaced Negro workers. You cannot reconcile this fact with your spurious claim that the traveling and shipping public are opposed to the upgrading of Negro railroad workers.

It is significant that the Virginian Railway Co., operating in the same area as some of your roads, has found it possible to say to the President's Committee that it will comply with the Executive order. Significant also is the fact that other patriotic railroads, such as the Union Pacific Railroad, have remedied immediately the violations complained of at the hearings; while still other carriers—the Pennsylvania system and the New York Central Railroad—are now engaged in amicable discussion with the F. E. P. C., looking toward compliance with the Committee's directives.

Contrast this patriotic conduct with the action of your group of carriers. In the first place, you take no initiative to work out a plan of fullest use of available manpower to carry out the heavy war responsibilities placed on all railroads. You completely ignore the twice-expressed directives of the President of the United States. You attend the hearings of the F. E. P. C. in a desultory manner and then impudently defy the directives of the Committee. Your conference then seeks to enlist the support of Members of Congress in bringing pressure to bear to discredit or destroy the President's Committee and to nullify the effect of his wartime Executive order. This action on your part is reprehensible. It is unpatriotic. It is a sneak attack upon our war effort.

Continued refusal on the part of your roads to employ Negro railroad workers for positions where there is need for additional manpower and for which they are competent can lead only to endangering our war effort. If such becomes the case, it is clear that the

President of the United States will either have to take over the operation of your roads in the interest of the security of our country or the Congress of the United States will have to take appropriate legislative action. Not even your companies are bigger than the safety of the United States.

I urge your conference to recognize its obligation in the present war crisis and promptly and patriotically comply with the directives of the President's Committee on Fair Employment Practice.

Sincerely,

VITO MARCANTONIO,
Twentieth District of New York.

LT. GEN. THOMAS HOLCOMB, UNITED STATES MARINE CORPS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3760) authorizing the President to present, in the name of Congress, a Distinguished Service Medal to Lt. Gen. Thomas Holcomb, United States Marine Corps.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, and I am not going to object because I have great admiration for the record of the distinguished head of the Marine Corps, we should like to have an explanation of the bill.

Mr. VINSON of Georgia. Mr. Speaker, under the law a Distinguished Service Medal may be awarded to any person who, while serving in any capacity with the Navy of the United States, since April 6, 1917, has distinguished himself by exceptionally meritorious service to the Government in a duty of great responsibility. It may be awarded for combat or noncombat action.

The Committee on Naval Affairs felt that, in view of the fact that Lieutenant General Holcomb has rendered such outstanding service and has been a Marine for some 43 years, it is nothing but proper that the Distinguished Service Medal be awarded to him by Congress. Therefore, we unanimously reported this bill to the House.

As the House and the country know, Lieutenant General Holcomb is the Commandant of the Marine Corps. He is one of the most outstanding officers in the armed forces of the United States. On January 1 he retires on account of having reached 64 years of age. Before his retirement, it is to be hoped that Congress will permit in its name the Distinguished Service Medal to be given to him by the President of the United States.

It is appreciated that the President is empowered, without further action by the Congress, to present a Distinguished Service Medal to Lieutenant General Holcomb, but enactment of the bill would announce the special approval of the Congress of his services and is therefore deemed appropriate.

During the general's tenure as commandant, the corps has expanded to an unprecedented size, has greatly increased its training facilities in every field, and has mastered the utilization of the most modern weapons of war. The corps to-

day is 22 times its size at the time General Holcomb became commandant, and is 6 times the size of the corps during World War No. 1.

Last June, just prior to attaining the age of 64, which is the statutory retirement age, General Holcomb submitted a request to relinquish his office upon reaching that age, with a view to permitting the appointment, if the President should see fit, of a successor who had rendered distinguished service in the present war. Amenable to the President's desires, the general agreed to continue as commandant until January 1.

General Holcomb's service as commandant for 7 years climaxed one of the most illustrious careers in the history of the corps. During his 43 years as a marine, General Holcomb played a key part in guiding the corps to its present high point of efficiency, and was largely responsible for making the corps the most skillful amphibious force the world has even known.

For the past 20 years, in particular, the general has been especially active in the study, practice, development, and teaching of amphibious landing operations, and thus he was singularly qualified to lead the Marine Corps when the United States after the Japanese sneak attack on Pearl Harbor found itself confronted by the most complex amphibious war of all time.

Under the skillful guidance of General Holcomb, the Marine Corps has taken the leading part in the development of the technique of landing operations and the soundness of the training policies inaugurated by the general has been demonstrated by the success of American forces in the Atlantic, Mediterranean, and Pacific theaters.

American forces conducted no amphibious operations in World War No. 1 and as a consequence General Holcomb had no opportunity to display his ability in that field. However, he proved himself an adept and progressive leader in the violent land fighting in France. He served brilliantly with the Sixth Marine Regiment, A. E. F., from February to August 1918, as major in command of the second battalion of the regiment, and from August 1918 until July 1919 as a lieutenant colonel and second in command of the regiment.

He participated in all engagements in which the Sixth Regiment took part—the Aisne defensive, Chateau Thierry; the Aisne-Marne offensive, Soissons; the Marbache sector; the St. Mihiel offensive; the Meuse-Argonne—Champagne—offensive; the Argonne Forest offensive, and in the march to the Rhine following the armistice.

In recognition of his past distinguished services, the general has been awarded the Navy Cross, the Silver Star with three oak-leaf clusters, a meritorious service citation by the commander in chief, A. E. F., the Victory Medal with Aisne, Aisne-Marne, St. Mihiel, Meuse-Argonne, and defensive-sector clasps, and the Purple Heart. He was three times cited in general orders of the Second Division, A. E. F. The French Gov-

ernment conferred on him the Cross of the Legion of Honor and the Croix de Guerre with three palms. The general also holds the Expeditionary Medal, China, 1911-14, the Asiatic-Pacific ribbon bar with numeral I and one star, the American Defense Service Medal and the Cuban Naval Order of Merit, first class.

General Holcomb was appointed a second lieutenant in the Marine Corps 43 years ago, in 1900; and he was commandant, Marine Corps schools, Quantico, Va., in 1936, when President Roosevelt appointed him Major General Commandant. In 1940 he was reappointed commandant. On January 20, 1942, the general was elevated to the rank of lieutenant general and thus became the highest ranking officer in Marine Corps history.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

Mr. RANKIN. Reserving the right to object, Mr. Speaker, may I say that I agree with everything the gentleman from Georgia has said.

It comes as a great relief after the shocking statement just made by the gentleman from New York [Mr. MARCANTONIO] backing up this rump organization known as the Fair Employment Practice Committee that is harassing the white people of the Southern States, if not of the whole country, whose sons are fighting and dying in this war. I have just had news of a young man I appointed to the Naval Academy and who went down on the *Liscome Bay*. I have also had a message from a young man whom I knew as a boy, who was killed in one of the battles of the far southwest. These sad messages are coming every day.

I am tired of a little group of radicals in New York and elsewhere, headed by PM, maligning the white people of the South when they are doing everything they can to help win this war, keep our transportation system going, and save those sacred American institutions for which our boys are fighting.

Mr. MARCANTONIO. Reserving the right to object, Mr. Speaker—

Mr. HOFFMAN. Regular order, Mr. Speaker.

The SPEAKER. The regular order is demanded.

Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That the President is authorized to present, in the name of Congress, a Distinguished Service Medal to Lt. Gen. Thomas Holcomb, United States Marine Corps, for exceptionally meritorious and distinguished service to the Government in a duty of great responsibility as Commandant of the United States Marine Corps from December 1, 1936, to the present time.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in order that I may

give the history of the military service of General Holcomb.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. MAAS. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the Record in regard to the award to General Holcomb.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MAAS. Mr. Speaker, in the long list of distinguished Commandants of the United States Marine Corps, there has been none more distinguished than Lt. Gen. Thomas Holcomb. During his administration of the Marine Corps, it has grown to unprecedented size, and yet its efficiency and fighting effectiveness has been maintained on its traditional high standard. As glorious as has been its traditions of the past, the corps has added new glory and new traditions unexcelled in its long colorful career. General Holcomb has been a fighting marine all his career. He has fought both on the battlefield and within the corps to keep it abreast and ahead, in fact, in the professional field. General Holcomb was a tremendous inspiration to all of the officers and men in the corps when he personally visited the marines at Guadalcanal during their darkest days in that grim battle area. He subjected himself to all the combat hazards that the other marines on Guadalcanal were exposed to. It is indeed fitting that Congress should have presented in its name the Distinguished Service Medal to this most distinguished marine. His influence on the corps will be felt long into the future. The whole country, as well as all marines particularly, are very happy that he is being succeeded by a worthy successor in the person of Lt. Gen. A. A. Vandegrift. The corps is proud of General Holcomb, and I am sure the Congress is equally proud of him.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, it was with the deepest regret and profound sorrow that I listened to the words of the gentleman from Pennsylvania [Mr. EBERHARTER]. He can cease to weep over the fate of the Republican Party. Nor need he bewail the fate of the legislation designed to permit those in the service to vote at the next general election. Republicans, western and southern Democrats, are determined that the servicemen shall be afforded an opportunity to vote. They are equally determined that no New Deal politician—no group of New Deal politicians—be permitted as one Member of the other

body intimidated they would like to do—to steal the coming election. Republicans, Democrats who believe in constitutional government, will see to it, if they can overcome New Deal obstructionist opposition, that every serviceman be given the opportunity to vote, not only for Federal officials but for State and county candidates. I suggest to the gentleman from Pennsylvania [Mr. EBERHARTER], if the suggestion be in order, that he use some of those handkerchiefs he was going to use to mop up the tears of the Republicans in wiping the dirty noses of the new dealers, because the election trends show that the country is on the mend and neither the people nor the Republicans will have need for the gentleman's sympathy. The gentleman need not worry at all about the Republicans. Let him clean house over on that side, as some of the southern Democrats over in the other body suggest you do, especially in Pennsylvania. Clean house up there in Pennsylvania and in certain cities and the country will be all right again. Do not cry about the Republicans.

GOVERNOR DEWEY

Mr. LYNCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LYNCH. Mr. Speaker, relative to the remarks of the gentleman from Illinois with respect to "campaign facts, not campaign oratory," I was under the impression that the issue in the approaching campaign would be the question of the conduct of the war. I was mistaken. The News of New York in its editorial last Sunday indicated that this is going to be a beauty contest. As you probably know, the News advocates the nomination of Governor Dewey. Among the attributes ascribed to him, by the News, as qualifications for the nomination, are that he has a radio personality and is a racketbuster. I quote the News further and here is his greatest qualification:

To top it all off, he is handsome in an entirely masculine way, which should do him no harm with a lot of women voters.

Oh, shade of Abraham Lincoln. There was a time when the Republicans nominated as their standard-bearers men of ability, but in 1944 the Republican standard will be pulchritude.

EXEMPTION OF FIRE-INSURANCE COMPANIES FROM ANTITRUST LAWS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I have, prior to this time, expressed my opposition to the bills before the House, one of which has been reported out by the Committee on the Judiciary, to exempt fire-insurance companies from

the antitrust laws. I should like to read from a letter I received from an insurance agent after I made my speech in opposition to these bills.

I have been in the insurance business, as you know, for many years and have had many scraps with the bureaucratic Board of Underwriters of the Pacific, in fact I was one who was fined for using my own judgment as to the company in which to place a policy. It's needless to tell you, I did not get scared nor have I ever ceased to tell them of their unfair methods. I place my business where I please, but if this legislation should be passed, with the present set-up in California, I and other independent agents may be in difficulties. It would take too much space to say what I think of these bureaucrats who are always criticizing and calling their Government officials bureaucrats, and are working overtime to take us back to the Harding, Coolidge, and Hoover debacle.

The SPEAKER. The time of the gentleman has expired.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection?

Mr. HOFFMAN. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by including therein an editorial that appeared in the Christian Science Monitor of December 10 and in the Boston Post of December 10, editorially commenting on the recent speech made by the gentleman from Texas [Mr. RAYBURN].

The SPEAKER. Is there objection?

There was no objection.

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at two points in the Appendix of the Record.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GIFFORD. A comment on pulchritude: The gentleman who mentioned that is possibly the handsomest man in the House. I am confident that he won handsomely on his own pulchritude and it is amazing to me that he would criticize that attribute in a candidate. He said he thought that the conduct of the war would be the campaign arguments this year. Far from it. We are united in our war aims. That is not to be political. Why, in the olden days of emperors and kings, when trouble came on the home front they always provoked a foreign war to distract the attention of the people. That is an old game. We are not going to forget the home-front stupidities in this campaign, you handsome gentleman.

The SPEAKER. The time of the gentleman has expired.

Under previous order of the House the gentleman from Connecticut [Mr. MILLER] is recognized for 30 minutes.

INSURANCE BUSINESS AND THE
ANTITRUST LAWS

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent to include a review of tables prepared by Best & Co. of the tables inserted in the record of hearings on H. R. 3270 on November 3, 1943.

The SPEAKER. Is there objection? There was no objection.

Mr. MILLER of Connecticut. Mr. Speaker, last Thursday, December 9, the gentleman from Indiana [Mr. LAFOLLETTE] inserted in the Appendix of the RECORD 38 columns outlining his opposition to H. R. 3270, a bill recently approved by the House Judiciary Committee by a vote of 17 to 5 and soon to be presented to this House for consideration.

I do not intend to use 38 columns in replying to my colleague from Indiana [Mr. LAFOLLETTE] for the reason that 90 percent of his argument is immaterial and irrelevant. What under the sun has the question of rates, profits, and so forth, to do with the question raised by this legislation, namely, should the business of insurance be construed as commerce under the Clayton and Sherman Acts? All the talk that has been indulged in about rates and profits is simply the drawing of a red herring across the trail.

The gentleman from Indiana states further that this bill is a democratic measure. He failed to include as one of the author's of this legislation, the distinguished gentleman from New York [Mr. HANCOCK], who has demonstrated his republicanism on the floor of this House over a long period years. The record clearly shows that there is no partisanship involved in the consideration of this important legislation.

Surely the gentleman from Indiana will accept the platform of his own party as adopted in 1940 as to what constitutes republicanism. We find the following language in the Republican platform of 1940: "We condemn the New Deal attempts to destroy the confidence of our people in private insurance institutions. We favor a continuance of regulation of insurance by the several States." The Democratic platform of the same year carries this provision: "We favor strict supervision of all forms of the insurance business by the several States for the protection of policyholders and the public." Again I repeat, partisanship should not be injected in this discussion.

I do not pose as an expert on insurance although I have been engaged in that business for several years. As I stated 2 weeks ago, I have never been directly employed by any insurance company. However, I am definitely interested in the welfare of the insurance business and I am vitally interested in the effect of any legislation on the policyholders of this Nation.

If any Member of the House is interested in referring to the authorities on which I base my contentions that the business of insurance is not, and never has been considered commerce under the Clayton or Sherman Acts, I respectfully

refer him to page 8638 of the CONGRESSIONAL RECORD of October 21.

The gentleman from Indiana expresses his conviction that H. R. 3270 is deliberately worded for the purpose of preventing the Supreme Court from having unfettered judicial freedom of action in deciding the case of the United States versus South Eastern Underwriters Association. This reflects little understanding by the gentleman from Indiana [Mr. LAFOLLETTE] of the significance of the bill.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. VOORHIS of California. I would like to ask the gentleman this question. Does the gentleman believe that it is an effective way for any industry to protect itself against Federal regulations by attempting to immunize itself from enforcement of the antitrust laws which would prevent monopolistic practices in that industry?

Mr. MILLER of Connecticut. My answer, and I will answer your question later in more detail, is we are not granting insurance companies any immunity that they have not always had. If the Department of Justice wanted a determination as to whether Congress intended the insurance business to be considered commerce, it seems to me, as I will develop later, that the orderly procedure would have been for the Department to come up here and introduce a bill if there was any doubt in their minds as to the intent of Congress. I cannot find anything that would cause any doubt in a reasonable person's mind, that neither Congress nor the courts have ever indicated insurance was to be considered commerce under these acts.

Mr. VOORHIS of California. I think that is an arguable point. The only point I want to make at the moment was as a practical matter it appeared to me if any industry wants to escape Government regulations the thing it should seek is effective enforcement of the antitrust laws, so competitive conditions can prevent monopolistic practices, which, to my mind, is the basic justification for Federal regulation.

Mr. MILLER of Connecticut. I shall attempt to answer the gentleman a little more fully in just a moment.

Its purpose is to preserve the regulation of the insurance business by the States and to make certain that the intent of Congress shall not be thwarted by application of the Sherman Act and the Clayton Act to that business. In the light of this broad purpose, it is of small consequence whether the bill also affects a pending legal proceeding. When an important issue of governmental functions is at stake, not to mention the entire future of a great business, it matters little whether as an incidental effect the prosecution of a few companies and individuals is interfered with, particularly when the acts for which they are brought to bar were done in reliance upon long-standing decisions of the Supreme Court and upon the clear inten-

tion of Congress that the antitrust laws should not apply to insurance.

If the gentleman from Indiana really believes that the purpose of those who introduced this bill and those who are supporting it is as he has stated, he must have little faith in either the intelligence or the integrity of his fellow Members of Congress. Surely, he cannot think that they are motivated by the wish to free the defendants in a criminal proceeding from the consequences of their wrongdoing or that they are not concerned with the broader and enduring consequences of this legislation. Admittedly, the case which is coming before the Supreme Court was the occasion for this bill, since it involves the possibility that the Supreme Court may reverse its decisions of many years, thereby throwing the insurance business into chaos and destroying the structure of State regulation. I am not a lawyer, but I have discussed this legislation with several lawyers.

As a matter of fact, it is probable that the bill, if adopted, would have no effect on the pending case. If, under a correct construction of the law, the Sherman and Clayton Acts are now applicable to the business of insurance, then this bill is a repealing bill which removes that business from the scope of those acts. If that is the case the bill comes within the provisions of title I, United States Code, section 29, which provides:

The repeal of any statute shall not have the effect to release or extinguish any penalty, forfeiture, or liability incurred under such statute, unless the repealing act shall so expressly provide, and such statute shall be treated as still remaining in force for the purpose of sustaining any proper action or prosecution for the enforcement of such penalty, forfeiture, or liability.

If, on the other hand, the bill represents a declaration of what was the legislative intent at the time of enactment of the antitrust laws or an interpretation of the meaning of those laws, then it seems probable in the light of language used by the courts in the past, that the Supreme Court would not be bound by such a declaratory act in interpreting the antitrust laws as applying to past transactions. The bill would be persuasive but not controlling on the court.

Mr. WRIGHT. Will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. WRIGHT. I have no doubt about the power of Congress to state that insurance should not be considered within the terms of the Antitrust Act. What this bill attempts to do is to have the present Congress interpret the intent of a Congress of a decade or so ago.

Mr. MILLER of Connecticut. I do not think so.

Mr. WRIGHT. Does it not say the act shall be so construed as to exclude the insurance business, or words to that effect?

Mr. MILLER of Connecticut. No. It is a determination of a fact now.

Mr. WRIGHT. My impression was that the bill stated that the antitrust acts should be so construed as to exclude

the insurance business. Is that not correct?

Mr. MILLER of Connecticut. No, it is not. I have heard that argument. It is certainly not contained in the bill. I refer the gentleman to the resolving clause of the bill. That contention is made, but it is not in the bill. It is a misconception that has developed during the discussion, I fear.

The gentleman from Indiana [Mr. LAFOLLETTE] has attempted to draw an analogy between the language of this bill and that of the eleventh amendment to the Constitution, which provided that the judicial power of the United States should not be construed to extend to any suit against one of the United States by citizens of another State or by citizens or subjects of a foreign state. In order to sustain his analogy, he pictured the effect of this bill as carving out of the Sherman Act and the Clayton Act a portion of the jurisdiction of the courts over prosecutions under those acts. The fallacy of his argument lies in his use of the word "jurisdiction" in two different senses.

The eleventh amendment of the Constitution took away the jurisdiction of the courts as to the class of cases to which the amendment referred—the amendment dealt with judicial power and cut off the authority of the courts to act in any such cases. The bill under consideration is not directed at the power of the courts at all. It deals with the meaning of a criminal statute. Of course, the courts cannot impose a penalty for acts which Congress declares to be lawful, and in that sense it may be said that they do not have jurisdiction over those acts. But that has nothing to do with the question of jurisdiction which the eleventh amendment dealt with—that is, the question of judicial power and the constitutional authority of the courts to act.

The gentleman from Indiana also characterizes this legislation as an immoral attempt to interfere with orderly judicial procedure and compares it with the attempt made in 1937 to destroy judicial freedom by Executive interference.

This bill does not, however, contemplate any interference by the legislative branch with the proper functions of the judiciary. Congress is still the law-making body in this country and its power to make the laws is not to be hampered or limited by reason of its effect on pending litigation. It is the function of the judiciary to interpret and enforce the laws, but it has no vested interest in the issues of a pending lawsuit which bars Congress from acting to affirm or modify, as it sees fit, the law involved. If the Supreme Court had already acted and had determined that the antitrust laws are applicable to insurance, the gentleman from Indiana [Mr. LAFOLLETTE], we may be sure, would not for a moment deny the right of Congress to take action immediately to amend the antitrust laws and provide explicitly that they should not apply to insurance. It is dif-

ficult to understand why the power of Congress should be diminished because of the fact that the Supreme Court has not yet passed on the question. If Congress can repeal or amend an act which has been construed by the Supreme Court, surely it can adopt such legislation as may be necessary to remove any possible uncertainty as to the proper construction of that act and thereby avoid the confusion and great harm which would result from an interpretation which is not in accordance with the desires of Congress.

The Congressmen who support this bill do not intend any affront to the Supreme Court nor do they impugn the motives of the Justices. Whatever may be thought of the legal reasoning which might lead to a reversal of the decision of the lower court in the South Eastern Underwriters case, the bill does not deal with judicial processes but merely affirms the intent of Congress as to the scope of the antitrust laws.

In the report of the Judiciary Committee, it was pointed out that the bill does not grant an exemption of the insurance business from the antitrust laws since the antitrust laws have never been applied to the business of insurance. My colleague from Indiana differs from this statement on the ground that the Supreme Court may depart from its earlier decisions and that it cannot be said as a matter of law that the business of insurance is not now commerce.

Leaving aside the very debatable question as to whether a decision of the Supreme Court continues in force until the time when the Supreme Court reverses itself, or whether the law which the Supreme Court may establish tomorrow must be conceived of as having always been the law, notwithstanding an earlier contrary decision of the same Court, the legal hairsplitting which the gentleman from Indiana seems to relish so much does not go to the substance of the question.

As I pointed out on October 21, the Supreme Court on numerous occasions has held that insurance is not commerce. This was well known to the Members of Congress when the Sherman and Clayton Acts were adopted and they clearly understood that the consequence was that those acts did not apply to insurance. They did not concern themselves with the fine distinctions which my colleague from Indiana has discussed at length. They were not interested, for example, in distinguishing between the evidentiary facts presented to the Court in Paul against Virginia as to the manner of conducting the business of insurance and the evidentiary facts in other cases involving insurance, nor did they attempt to pass on the question whether the Court had drawn its conclusions on the basis of "correct and common modes of reasoning." The nature of the insurance business was considered in detail by the Supreme Court on more than one occasion and found not to be within the commerce clause of the Constitution. Common sense requires

the conclusion that this bill does not grant an exemption but merely confirms what has always been the law.

Mr. J. LEROY JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. J. LEROY JOHNSON. Is not the effect of this act to have Congress interpret the law?

Mr. MILLER of Connecticut. No. I do not think so; that certainly is not my intention.

Mr. J. LEROY JOHNSON. That is the way I read it hurriedly. It impressed me that way. It is the function of the courts to interpret the law.

Mr. MILLER of Connecticut. Absolutely. I can only refer the gentleman to the resolving clause of the bill itself. I am sure he will find that we are not asking for any interpretation of the law. We state a fact.

Mr. J. LEROY JOHNSON. I wanted to ask the gentleman one more question, if I may. Is it your view that we cannot have any Federal control of insurance companies? That that would be derogatory to the insurance business?

Mr. MILLER of Connecticut. Of course, we can have some Federal control, but we cannot have a situation such as would develop if the Court should now reverse its previous decisions and the decisions of the Judiciary Committee of a previous Congress and certain other rulings that the insurance business has relied on over the years. We find a situation where many States require by State law that insurance companies create rating bureaus; that they confer as to rates. You would find a situation where company X in carrying out the clear mandate of the law of the State of New York or California, or Massachusetts, would be in violation of the Sherman-Clayton Acts. They would be indicted for a Federal offense for simply obeying the law of a State.

Mr. J. LEROY JOHNSON. Is there any analogy between the regulation of railroads, for instance, and the insurance business? For instance, in my State, we have a very good commission regulating intrastate transportation and of course, we have the Interstate Commerce Commission regulating interstate commerce. As far as I know, their jurisdictions have not come in conflict. Would that apply to the insurance business?

Mr. MILLER of Connecticut. There certainly would be a great deal of conflict if the Court should reverse its previous decisions.

In the second part of his speech, my colleague the gentleman from Indiana [Mr. LAFOLLETTE] took up first the question whether application of the antitrust laws to insurance would interfere with State regulation of the business, and he pointed out several cases of industries against which antitrust suits have been brought but which were at the time State regulated or at least not federally controlled. In none of these cases, however, had there been devel-

oped a pattern of State regulation at all analogous to that which is applicable to the insurance business.

The proponents of this bill have never argued that the antitrust laws would destroy every vestige of State regulation and authority. Clearly, the States have certain police powers which they can exercise over those who do business within their borders. It is beyond question, however, that where interstate commerce is involved, the Federal law is controlling and State laws which are inconsistent with Federal laws must fall.

The regulation of the insurance business by the States has been built up over many decades on the basis of the law as it has been established for 75 years, that insurance is not commerce and that accordingly the full and exclusive power of regulation is in the States. As a result of long experience and careful investigation by legislative committees and others, the States have determined that competitive methods—at least, as far as rates are concerned—are not appropriate in the insurance business.

They have learned that the public has an interest in the solvency of the insurers and that cooperation and accord among the insurers should be encouraged and not forbidden. As a consequence, State regulation permits and in many instances requires, cooperative methods which would clearly not be lawful if the Sherman and Clayton Acts are applicable to the business. This is the conflict which must be resolved if the Supreme Court reverses its previous decisions; indeed, it is one of the compelling reasons for the adoption of this bill.

The gentleman from Indiana suggests that it would be a more orderly procedure to await the decision of the Supreme Court and then for Congress to pass legislation staying the execution of judgment until a solution for the chaotic conditions could be found. Of course, speaking of orderly procedures, it would have been more orderly and proper if the Department of Justice had come to Congress in the first instance with its recommendations that the antitrust laws be made applicable to insurance instead of attempting to persuade the Supreme Court to change the law and extend the scope of statutes enacted by Congress. In any event, the time for Congress to act is now. If Congress does not act now and the Supreme Court reverses itself, there would ensue a period in which the insurance companies would not know what to do from day to day. They would be faced with the immediate problem of reorganizing their business in an attempt to comply with conflicting State and Federal legislation without any sure knowledge of how that legislation would be interpreted. Acts which they are required by State law to do might involve criminal violations of Federal statutes, and attempts to comply with the Federal statutes might result in violations of State laws. Congress would be compelled to take hasty action and would not be able to give adequate

consideration to the many perplexing questions involved. The most probable result would be an ill-considered act superimposing Federal regulation and adding to the already excessive body of administrative bureaus in Washington.

If the experience of the States is any criterion, the method of doing business which is required by the antitrust laws is not the method which is best suited to the special nature of the insurance business. Of one thing we can therefore be sure—even if Federal legislation on the subject of insurance is found to be necessary, it will be legislation entirely different from the antitrust laws. By making certain that those laws are not applicable to insurance, Congress is not giving up any of its power to enact other legislation on the subject. The adoption of this bill does not prevent Congress from investigating and studying the subject further and taking whatever action it may find desirable.

The gentleman from Indiana has inserted in the RECORD some tables which were placed by the Assistant Attorney General in the record of the hearing before the subcommittees of the two Judiciary Committees, and states that there is not one word of evidence challenging any of the figures in these tables. It is

not surprising that there is no contradiction of these figures in the printed RECORD as they were submitted at the conclusion of the final hearing on November 3. The hearings have subsequently been reopened and the figures have been very vigorously challenged by a representative of the insurance companies. Moreover, it is expected that there will be presented to the House an analysis of some of the figures submitted by the Assistant Attorney General which will show that they are in many respects completely misleading, and that even where they are accurate they cannot properly be used as the basis of conclusions such as those which have been drawn from them by the opponents of the bill.

The charts inserted in the printed report of the joint hearing before the subcommittees of the Committees on the Judiciary following the close of the hearings on November 3, by the Assistant Attorney General appeared so confusing and misleading that I secured a review of the various tables by the Alfred M. Best Co. This company publishes all kinds of insurance publications and reports.

I am inserting the chart as prepared for the Attorney General's department and following it by the Best analysis of that particular chart.

TABLE I.—Fire and marine insurance business in the United States 1935–39

Year	Total assets	Capital stock ¹	Net surplus	Net premiums	Total income	Losses paid	Net earnings ²
1935	\$2,556,122,000	\$347,576,000	\$1,211,381,000	\$837,035,000	\$954,073,000	\$295,966,000	\$365,161,000
1936	2,815,293,000	337,132,000	1,268,922,000	890,855,000	1,021,068,000	371,744,000	170,629,000
1937	2,630,815,000	343,407,000	1,143,983,000	972,128,000	1,092,907,000	373,779,000	—9,949,000
1938	2,751,313,000	342,787,000	1,255,379,000	921,673,000	1,034,031,000	397,310,000	238,622,000
1939	2,840,489,000	351,323,581	1,312,288,000	956,642,000	1,085,168,000	388,325,000	163,918,000
5-year average	2,718,806,000	344,445,116	1,238,378,000	915,666,600	1,037,449,400	365,424,800	185,675,000

Year	Percentage capital paid up to total assets	Percentage losses to total income	Percentage losses to net premiums	Percentage net earnings to losses paid	Percentage net earnings to capital paid up
1935	13.6	31.0	35.4	123.4	105.1
1936	12.0	36.4	41.7	45.9	50.6
1937	13.1	34.2	38.4	—	—
1938	12.5	36.4	43.1	60.1	69.6
1939	12.4	35.8	40.6	42.2	46.7
5-year average ³	12.7	35.2	39.9	50.8	53.9

¹ To the capital stock of stock companies reported by Statistical Abstract has been added 2.75 percent of the total to cover the guaranty fund of mutuals as reported by Best's.

² Represents annual change in surplus plus dividends paid.

³ For all corporations reporting to the Bureau of Internal Revenue, capital stock is equivalent to about 33 percent of total assets.

Source: Statistical Abstract of the United States, 1941, p. 326.

TABLE 1. FIRE AND MARINE INSURANCE BUSINESS IN THE UNITED STATES 1935–39 (P. 144)

This table is apparently intended to give a comprehensive picture of the fire and marine insurance business in the United States for the years 1935 to 1939. The presentation is a meaningless mass of statistics.

The first distortion appearing in this table is the mixing of stock and mutual company figures and the arbitrary adjustment of "capital stock" making 2.75 percent allowance to cover the estimated guaranty fund of mutuals. All earnings of mutual companies belong to the policyholders, and it is therefore ridiculous to combine such earnings with those benefiting the shareholders of stock companies.

The greatest distortion is in the last column "net earnings." Far from reflecting net

earnings the column as indicated by footnote "Represents annual change in surplus plus dividends paid." (Dividends paid to policyholders during the period aggregated about \$200,000,000.) It is clearly evident that "annual change in surplus" may come from a great many sources which have nothing to do with earnings; for example, insurance companies are required by the various States to make bookkeeping adjustment annually so that surplus may reflect the prevailing market value of security holdings. Fulfilling this legal requirement, the fire and marine insurance carriers decreased the value of their security holdings by more than \$700,000,000 during the years 1930 to 1934, inclusive, and made corresponding reduction in surplus. Yet the table treats as earnings additions to surplus resulting from subsequent recovery of a large part of this loss in

book value which was regained during the 1935-39 period of rising security prices. Furthermore, during the latter period the purported net earnings include no less than \$35,000,000 of outright contributions to surplus made by shareholders of insurance carriers. In the same years, also, it was not uncommon for insurance companies to transfer capital funds to surplus. The transfers do not represent one penny of earnings, yet under the column as set up every dollar of such transfers appears as earnings.

Any one of these items alone would be enough to destroy the value of column "net earnings" as being a basis for drawing any conclusions. All of these factors and many others are involved in view of the comprehensiveness of the figures, so the net result is that the figures are of absolutely no value.

In the second schedule of this table there is a column "Percentage net earnings to capital paid-up." The percentages are preposterous because, coupled with a totally erroneous conception of what constitutes earnings, the purported net earnings of the nearly 3,000 fire and marine insurance companies operating in the United States are ratioed to the total capital stock maintained by no more than 400 companies. The same objection applies to the first column, "Percentage capital paid-up to total assets."

All the comparisons dealing with capital alone mean nothing. One element of distortion involves funds transferred from capital to surplus, another is that all stock companies are formed with a substantial surplus through sale of stock at a price running as high as five times the par value, and still another is the arbitrary inclusion in "capital" of the small amount of guaranty capital maintained by a few mutual companies. The fact is that the total capital shown in the table represents the aggregate par value of outstanding shares and in no wise reflects the capital investment of stockholders.

The second column, "percentage losses to total income," is most misleading. Losses paid cannot properly be compared with total income as the reported income of insurance companies, besides premiums and interest from investments, also includes such items as borrowed money, surplus contributions, remittances by foreign companies to United States branches, gains resulting from adjustment in book value of assets, recovery of bad debts and other adjustments too numerous to mention. Premium income, included with total income, cannot properly be compared with losses, as a premium payment may be for insurance protection, without further payment, for 3 or 5 years, and in some cases forever under contracts written on a perpetual basis.

Another objection is that the figures of mutual companies and stock companies cannot logically be combined because of varying plans of operation. Mutual companies are usually able to show lower losses in relation to total income because they write generally on a selected-risk basis. There are the member companies of the Associated Factory Mutual Group operating on an assessment basis and collecting a premium deposit exceeding stock company rates by as much as 500 percent, depending upon period of policy contract. Losses of these companies, as a consequence, averaged less than 6 percent of premium deposits over the 1935-39 period. Combining the premiums (or total income) of the specialist companies with those of stock companies, and the losses of the two widely different classes, reduces the loss ratio, but means nothing.

The same objections apply to the next column, "Percentage of losses to net premiums."

The next column, "Percentage of net earnings to losses paid," is, of course, based upon

figures appearing in the last column of the preceding exhibit. We have already demonstrated that the net earnings figures are hopelessly inaccurate.

The same objection obtains to the last column, "Percentage of net earnings to capital paid up." A supplementary objection is that the ratios are meaningless. Earnings of an insurance carrier, even when accurately computed, bear no relationship to capital paid up. The proper comparison is per-

centage of net earnings to shareholders' capital at risk.

Summed up, this whole schedule is distorted by two major misconceptions:

(1) The inclusion of mutual figures with stock company figures.

(2) The treatment of "net earnings" as if it were identical with "annual change in surplus plus dividends paid."

With these two basic errors, all of the conclusions drawn in the second schedule are distorted.

TABLE 2.—Dividends paid by the 10 largest fire-insurance companies since 1909

[Basis: \$100 per share equivalent]

	Home Insurance Co. (New York)	Hartford Fire Insurance Co.	Continental Insurance Co. (New York)	Insurance Co. of North America (Philadelphia)	Aetna Insurance Co. (Hartford)	American Insurance Co. (Newark)	Fidelity Phenix Fire Insurance Co. (New York)	National Fire Insurance Co. of Hartford	Great American Insurance Co. (New York)	Springfield Fire & Marine Insurance Co.
1910	\$30.00	\$40	\$55	\$12.00	\$17	\$20	-----	\$20	\$30	\$10.00
1911	35.00	35	50	12.00	16	23	\$10	20	30	10.00
1912	35.00	35	50	12.00	16	24	10	20	30	10.00
1913	30.00	40	50	12.00	18	28	10	20	30	10.00
1914	20.00	40	50	12.00	18	28	10	20	30	10.00
1915	20.00	40	50	12.00	18	28	10	20	30	10.00
1916	22.00	40	30	15.00	20	32	20	20	30	10.00
1917	12.50	40	12	17.25	20	27	20	20	31	10.00
1918	25.00	40	14	16.00	20	20	20	20	30	10.00
1919	25.00	40	20	21.50	25	20	30	20	25	13.00
1920	25.00	30	20	23.00	24	20	30	20	15	16.00
1921	25.00	30	20	23.00	24	20	30	20	16	16.00
1922	25.00	30	22	23.00	24	20	40	20	16	16.00
1923	18.00	20	24	25.00	24	20	24	20	16	16.00
1924	18.00	20	24	25.00	24	20	24	20	16	16.00
1925	18.00	20	24	27.50	24	20	24	25	16	16.00
1926	18.00	20	24	20.00	24	20	24	25	16	16.00
1927	24.00	20	24	20.00	24	20	16	25	16	20.00
1928	20.00	22	20	25.00	24	20	20	25	16	16.00
1929	20.00	24	20	25.00	20	20	20	25	16	16.52
1930	20.00	24	24	30.00	20	20	26	20	16	18.00
1931	20.00	24	24	25.00	20	20	26	20	16	18.00
1932	20.00	20	36	20.00	20	18	37	20	18	18.00
1933	20.00	20	48	20.00	17	20	48	20	20	18.00
1934	23.00	20	48	20.00	16	20	48	20	20	18.00
1935	44.00	25	54	25.00	16	20	54	20	20	18.00
1936	25.00	20	58	25.00	16	20	58	20	24	12.00
1937	32.00	20	72	25.00	16	24	72	20	24	12.00
1938	32.00	20	72	25.00	16	24	72	20	24	12.00
1939	32.00	20	72	25.00	16	24	72	20	24	12.00
1940	32.00	25	80	25.00	18	24	80	20	24	12.00
1941	32.00	25	88	30.00	18	24	88	20	24	12.00
1942	32.00	25	88	30.00	18	24	88	20	24	12.00
Total, 33 years.	829.50	914	1,367	703.25	651	732	1,163	685	733	459.52

¹ Selected on basis of net fire premiums written.

Source: Moody's Manual of Investments.

TABLE 2. DIVIDENDS PAID BY THE 10 LARGEST FIRE-INSURANCE COMPANIES SINCE 1909 (P. 144)

This table purports to be a report of dividends paid by the 10 largest fire-insurance companies since 1909 up to and through 1942.

This table is apparently designed to leave the impression that the sums shown in each column are the dollars paid in dividends per share of stock. A close examination of the table shows, however, in brackets and small type these words: "Basis: \$100 per share equivalent."

It is obvious these words do not mean par value and they certainly do not mean market value. The par value does not reflect the amount of assets behind each share of stock. The correct way of determining the percentage of profit is to relate actual dividends to the amount, per share, at the risk of the business.

A graphic illustration of distortion in this exhibit is shown by a comparison for the year 1942 of the amount shown in the exhibit and the amounts actually paid as dividends by the 10 companies. For the purpose of showing the yield to the stockholders in relation to capital at the risk of the business the last two columns below indicate the per share capital at risk of the business on December 31, 1941, and the percentage of return on invested capital on basis of the actual 1942 dividends paid by the companies.

	1942 dividend		Per share capital risk of business, Dec. 31, 1941	Percent dividend return on capital at risk
	Table shows	Actually paid		
Home	\$32	\$1.60	\$25.83	6.19
Hartford	25	2.50	96.88	2.58
Continental	88	2.20	59.04	5.54
Insurance Co. of North America	30	3.00	76.42	3.92
Aetna	18	1.80	61.04	2.94
American (New Jersey)	24	.60	15.88	3.77
Fidelity-Phenix	88	2.20	41.74	5.27
National Fire	20	2.00	78.95	2.53
Great American	24	1.20	27.87	4.30
Springfield Fire & Marine	12	4.75	131.92	3.60

TABLE 2 (a).—Relation of premiums to losses paid by stock fire-insurance companies

Year	Average premium per \$100 insurance	Average losses paid per \$100 insurance	Percentage losses to premiums
1921	\$1.05	\$0.61	58.3
1922	.99	.57	57.2
1923	.97	.51	52.9
1924	.97	.54	55.4
1925	.97	.53	55.1
1926	.93	.49	52.6
1927	.95	.44	46.6
1928	.92	.43	46.1
1929	.89	.41	46.2

TABLE 2 (a).—Relation of premiums to losses paid by stock fire-insurance companies—Continued

Year	Average premium per \$100 insurance	Average losses paid per \$100 insurance	Percentage losses to premiums
1930	\$0.86	\$0.49	56.8
1931	.81	.48	59.2
1932	.78	.48	61.5
1933	.74	.34	45.6
1934	.72	.31	42.8
1935	.71	.24	33.5
1936	.71	.27	38.5
1937	.69	.25	35.8
1938	.69	.27	38.5
1939	.67	.28	42.3
1940	.67	.28	42.6
1941	.65	.26	39.6

Percent

Decline in premiums 1941 compared with 1921.... 38.1
Decline in fire losses 1941 compared with 1921.... 57.4

Source: Best's Fire and Casualty Aggregates and Averages.

TABLE 2 (a). RELATION OF PREMIUMS TO LOSSES PAID BY STOCK FIRE-INSURANCE COMPANIES (P. 145)

Apparently this is intended to show that the decline in cost for \$100 of insurance was not as great as the decline in fire losses over the period of 20 years—1921–41.

This is true. The period taken included the years of the boom and post-depression years. It shows that rates dropped steadily, and then in the post-depression years (that is, subsequent to 1932) losses decreased in a most phenomenal way. People generally were being more careful because tangible property was very valuable in those post-depression years. Rates continued to drop, but beginning with 1938 losses rose substantially. From long experience underwriters knew that if rates were precipitately reduced during the few years of abnormally low losses, the inevitable reversal of the cycle would later make the reduced rates inadequate—as the event proved.

Furthermore, it must be remembered, in comparing loss ratios based on premiums with burning ratios based on values, that the figures have only a limited relationship. For example, assume a \$1 rate on a policy, with a burning loss of 50 cents: A decrease in the burning loss to 25 cents is a reduction of 25

cents, but a 50-percent reduction. If rates are decreased by the same amount, to wit, 25 percent, there is only a 25-percent reduction.

The schedule shows that in 20 years the companies reduced these rates 38.1 percent—a rather creditable record in a score of years which has included two boom periods, when all other prices were rising.

TABLE 3.—Important groups of stock fire and marine insurance companies

Group or "Fleet"	Premiums written 1941	Percent of total
Home	\$102,677,887	
American Fore	58,373,155	
Hartford	50,492,982	
Royal	43,336,041	
North America	39,946,434	
5 largest	294,826,499	32.3
General Motors	41,069,461	
Aetna	37,195,150	
Crum & Forster	36,322,210	
Loyalty	27,201,810	
Firemen's Fund	27,003,285	
10 largest	463,618,415	50.8
Great American	21,947,611	
National Fire	20,936,992	
Phoenix, Hartford	20,024,055	
Aetna Life	19,539,806	
American	19,273,871	
15 largest	565,340,750	61.9
Springfield	18,827,656	
St. Paul	18,747,922	
Travelers	17,566,696	
Fire Association	17,295,008	
North British	17,234,220	
20 largest	655,012,252	71.8
Total, 348 companies	912,843,095	100.0

TABLE 3. IMPORTANT GROUPS OF STOCK FIRE AND MARINE INSURANCE COMPANIES (P. 146)

This exhibit attempts to show concentration of the total fire and marine insurance business on basis of 1941 premium income. While the table is headed "Group or Fleet," the comparison made at the bottom shows:

20 largest	\$655,012,252	Percent 71.8
Total, 348 companies	912,843,095	100.0

Here the premium volume of the "20 largest" is compared with a figure which is far below the actual \$1,263,722,000 income from premiums reported in the year 1941 by all fire and marine insurance companies. There is also the implication that the "20" refers to companies, and that therefore 20 companies have a high percentage of the total business. Examination of the records discloses that the business of the so-called 20 largest was actually the combined returns of 109 companies as shown below:

Home	11
American Fore	6
Hartford	8
Royal	12
North America	6
	43
General Motors	2
Aetna	4
Crum & Forster	9
Loyalty	5
Fireman's Fund	3
	23
Great American	8
National Fire	4
Phoenix, Hartford	7
Aetna Life	3
American	3
	25
Springfield	4
St. Paul	2
Travelers	2
Fire Association	4
North British	6
	18
	109

Fleet membership does not necessarily mean interlocking financial interest. Many of the 109 companies are not owned by the parent companies of the named groups. In such cases there is merely a managerial affiliation. It is obvious, therefore, that the table leaves an erroneous impression and gives a distorted picture.

TABLE 4.—Financial record of the 10 largest stock fire-insurance companies, 1941

	Home Insurance Co. of New Jersey	Hartford Fire Insurance Co.	Insurance Co. of North America (Philadelphia)	Aetna Insurance Co. (Hartford)	Continental Insurance Co. of New York	Fidelity-Phenix Fire Insurance Co. (New York)	National Fire Insurance Co. of Hartford	American Insurance Co. (Newark)	Great American Insurance Co. (New York)	Springfield Fire & Marine Insurance Co.	Total, 10 companies
Premiums earned	\$66,747,406	\$43,884,124	\$30,989,818	\$25,589,632	\$23,422,108	\$18,650,181	\$16,512,629	\$16,323,320	\$15,228,184	\$14,394,453	\$271,741,855
Total assets (statement)	\$123,976,772	\$129,671,484	\$117,816,917	\$59,965,970	\$98,946,705	\$76,901,768	\$53,220,107	\$34,241,024	\$50,806,481	\$36,779,842	\$781,607,070
Capital and surplus	\$51,289,853	\$81,266,143	\$75,656,534	\$30,712,967	\$65,204,868	\$51,010,301	\$31,580,996	\$1,046,544	\$30,145,557	\$19,075,508	\$449,989,571
Capital paid up	\$15,000,000	\$12,000,000	\$12,000,000	\$7,500,000	\$5,000,000	\$3,750,000	\$5,000,000	\$3,343,740	\$8,150,000	\$5,000,000	\$76,743,740
Net earnings (Best's)	\$6,681,212	\$7,009,375	\$5,920,573	\$1,931,343	\$5,888,665	\$5,124,115	\$1,288,534	\$1,525,717	\$2,443,045	\$1,786,287	\$39,698,866
Percentage net earnings to capital surplus	13.0	8.6	7.8	6.3	9.0	10.0	4.1	10.9	8.1	9.4	8.8
Percentage net earnings to capital paid up	44.5	58.4	49.3	25.8	117.8	136.6	25.8	45.6	30.0	35.7	51.6
Dividends to stockholders	\$4,800,000	\$3,000,000	\$3,600,000	\$1,350,000	\$4,399,980	\$3,293,900	\$1,000,000	\$802,498	\$1,752,250	\$950,000	\$24,954,718
Percentage dividends to capital paid up	32.0	25.0	30.0	18.0	88.0	88.0	20.0	24.0	21.5	19.0	32.5
EARNINGS ON UNDERWRITING											
Statutory underwriting profit or loss	—\$307,318	\$2,664,182	\$750,383	—\$652,598	\$196,311	\$732,269	—\$744,421	—\$74,678	—\$136,163	\$52,805	\$2,480,772
Changes in unearned premium reserve	1,729,779	1,081,024	832,236	1,144,990	983,900	485,221	722,895	775,691	609,752	645,726	9,011,214
Policyholders equity in investment for unearned premium reserve	1,777,222	1,146,953	741,762	704,839	702,254	516,803	534,625	464,173	455,960	443,044	7,487,635
Total underwriting profit (Best's)	3,199,683	4,892,159	2,324,381	1,197,231	1,882,465	1,734,293	513,099	1,165,186	929,549	1,141,575	18,979,621

¹ Continental and Fidelity-Phenix, both members of the American Fore group have changed the paid-up capital several times during the past 20 years, first by increasing it and then by reducing it to the present level which has prevailed since 1936.

² Average earnings for 5 years ending in 1941 were about 49 percent on the paid-up capital.

³ Best's estimate is on the basis of a 60 percent fire loss. Actual losses for these companies averaged only 48 percent for the 5 years ending 1941, therefore Best's figures underestimate the profit for that year.

⁴ Calculated by Best's on the basis of 3 percent of the reserve. This estimate seems to be a little high because of low earnings on high-grade securities.

Source: Best's Insurance Reports Fire and Marine.

TABLE 4. FINANCIAL RECORD OF THE 10 LARGEST STOCK FIRE-INSURANCE COMPANIES, 1941 (P. 147)

This purports to be an official record of the 10 largest stock fire-insurance companies for the year 1941, and the purpose apparently is to show what the Department of Justice claims to be an excessive profit.

Here again there is a distortion for the following reasons:

(1) The year taken, 1941, was an exceptionally profitable year.

(2) One year's record in the fire-insurance business is of no value at all in determining whether the profit being made by companies is excessive. There are years in which the companies sustain substantial underwriting losses. The figures of such years would be of no more value than this 1 year, 1941. Only by considering results for a period of years can a sound conclusion be reached. For the 5 years 1938 to 1942, inclusive, the average earnings of these 10 companies was 6.3 percent on the capital at risk, which is moderate considering the hazardous nature of the business.

(3) In the schedule there is an item, "Percentage dividends to capital paid up," and the average of the 10 companies is 32.5 percent. The figure is of no value in getting a correct picture of earnings because again it ignores what the earnings were on the capital at risk. The stockholders had at risk not only the capital but also the surplus and the equity in unearned premiums, representing the prepaid acquisition cost. As a matter of fact, the percentage of dividends to capital at risk of these 10 companies for the very profitable year 1941 was 4.6 percent as contrasted with the figure 32.5 percent set up in the schedule.

(4) Another item on the schedule is "Percentage net earnings to capital surplus," showing an average for the 10 companies of 8.8 percent. Here again the table ignores the equity in unearned premium reserve. The actual earnings were 7.2 percent of the capital at risk for the year 1941 for these 10 companies, and, as already stated, this was an unusually profitable year.

Mr. WRIGHT. Will the gentleman yield?

Mr. MILLER of Connecticut. I yield.

Mr. WRIGHT. May I read just a portion of this act? It says:

That nothing contained in the act of July 2, 1890, as amended, known as the Sherman Act, or the act of October 15, 1914, as amended, known as the Clayton Act, shall be construed to apply to the business of insurance or to acts in the conduct of that business or in any wise to impair the regulation of that business by the several States.

It strikes me that is an attempt by this Congress to construe the intent of the Congresses of 1890 and 1914, to forestall a judicial decision. I freely admit, of course, that Congress could specifically exempt, by positive enactment, insurance from these statutes, but I do not think they can go back to the acts of those previous Congresses and say what they meant. I think that is a judicial function and not legislative.

Mr. MILLER of Connecticut. If I interpreted the language as the gentleman does I would have to agree that it is a judicial function; but certainly the Congress has a perfect right to declare our present intent, as long as the question has been raised; and I refer the gentleman to the hearing and report of our own Committee on the Judiciary a number of years ago when a message was sent up requesting that Congress go into

the subject of insurance and the control of insurance. I believe I referred to the report of that committee when I addressed the House on this subject on October 21. I know the gentleman is trying to get the background and the truth of this situation, because I know you realize, as I do, that it is very, very important.

I do want to express the hope that when the bill comes in we will have ample time to debate it, because while it is short in form, it certainly affects every policyholder and everybody engaged in any way in the insurance business, which means most of us, for most of us have some kind of insurance. The only reason I took this time today was to stimulate discussion and thought.

Mr. WRIGHT. I congratulate the gentleman from Connecticut. I know he is always sincere in his approach and in his presentation, and even though I might find it necessary to disagree with him occasionally, I know he approaches his problems from a statesmanlike point of view.

Mr. MILLER of Connecticut. If the gentleman would only disagree occasionally and agree often, all would be fine.

I yield back the balance of my time, Mr. Speaker.

SPECIAL ORDER

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from South Carolina [Mr. HARE] is recognized for 25 minutes.

Mr. TIBBOTT. Mr. Speaker, will the gentleman yield for a unanimous-consent request?

Mr. HARE. I yield.

Mr. TIBBOTT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the Record and include therein an editorial which appeared in the New York Times.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. LEFEVRE. Mr. Speaker, will the gentleman yield?

Mr. HARE. I yield.

Mr. LEFEVRE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

SUPERHIGHWAY SYSTEM A MILITARY NECESSITY

Mr. HARE. Mr. Speaker, I share the feeling of the poet who longed for the time—

When war drums shall throb no longer
And the battle flags be furled
In the Parliament of Man,
The Federation of the World.

We all subscribe to that ideal, and the time may come with advancing civilization when the ideal is reached. It should be the one outstanding objective of all, but the Congress is not a body of idealists; we should always be realists. The time longed for by the poet has not yet arrived. It was not reached prior to the present world conflict, and it will not be established by any kind of an agree-

ment between the parties involved following the cessation of hostilities. Nations are no more ready to keep their word tomorrow than they were yesterday. We should not delude ourselves. We should be practical and consider the situation both as it exists and in the light of history and experience. We cannot lose sight of the great law of growth which is but the law of necessary and inevitable change. We dare not forget the great distinctions God made in the races, although all are created in His image. We must realize that laws and customs cannot be successfully imposed upon a people from without; that institutions, to be beneficial to a people, must be the outgrowth of the peculiar life and environment of that people. As long as Nature persists in producing diversity and not uniformity in races or nationalities, or as long as the axis of the earth remains inclined 23½° to the plane of its orbit, making zones of varying temperature, or as long as the sentiment of patriotism is kept alive in the human breast and there are men whose hearts are stirred by the love of home and native land, and as long as there is competition in the economic life of people and nations there will be wars, and permanent or universal peace will remain the dream of ambitious genius or phantoms of the foolish.

I am not afraid of this country developing the spirit of imperialism or desire for world domination—the primary or contributing cause of most wars—but I am not unmindful that the virtues and success of a nation, like the virtues and success of individuals, are frequently the objects of envy and jealousy by neighbors and competitors—another contributing cause of war. And I can see the possibility in no great distant future when envious and jealous nations may unite in an effort to destroy our own country and its people. It may be a half century from now, a century, or several centuries, but regardless of when it may come or whether it ever comes, it is not too soon to begin the construction of lasting defenses.

Therefore, Mr. Speaker, with these reflections in mind I have introduced bill, H. R. 56, with two distinct purposes in view, one to create an indispensable means of transportation for use in case of war, the other to promote the national economy of our country in time of peace.

The proposal in H. R. 56, illustrated by the chart before you, and now before the Committee on Roads, provides for the construction of a military highway from the Canadian line near Minot, N. Dak., southward to points near St. Paul, Chicago, Cincinnati, Knoxville, Birmingham, to the Mexican border near El Paso, Tex., thence northward through New Mexico, Arizona, Nevada, Utah, Idaho, and Montana to the Canadian line near Glacier Park. The idea is to extend the Alaskan Highway from near Minot, N. Dak., to connect with the Pan-American Highway at or near El Paso, Tex., and from there northward to the Canadian border with the hope that the Cana-

dian Government will extend the highway from there to Edmonton, Canada, to connect with the Alaskan Highway.

In addition to the main road there will be at least three auxiliary highways, possibly more, on the east; one running from near Cincinnati, Ohio, to Columbus, Cleveland, Buffalo, Albany, and Boston; another from near Knoxville, Tenn., to Charleston, S. C.; and a third from near Birmingham, Ala., to Pensacola, Fla. On the west there would be three such highways, one running from Los Angeles, another from San Francisco, and a third from Seattle, all connecting with the main highway.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. HARE. I yield.

Mr. MANSFIELD of Montana. I notice the road depicted on the map runs from Montana down through a small part of northwestern Montana, western Idaho, northeastern Nevada, southwestern Utah, western Arizona, southwestern New Mexico, to El Paso in Texas, and then into Mexico. Why was that particular route picked out when we already have a route extending from northwestern Montana down through western Montana, Idaho, Utah, and then to other areas in the South which would eventually connect with the Pan-American Highway in Mexico? I am referring to the so-called Four States Highway which can, and should fit into the worthy and necessary endeavor you are describing.

Mr. HARE. There is no reason why this should be an additional route if there is one there already. The object is to make it a road to meet the military necessities of the country.

Mr. MANSFIELD of Montana. The gentleman, then is not sold on the idea that the north and south road has to go along any particular pattern.

Mr. HARE. By no means; I am only suggesting a general outline showing the military necessity for such a road throughout the country. The engineers will determine the exact location.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. HARE. I yield.

Mr. RIVERS. Has the tentative route the gentleman has sketched in on this map been submitted to the Army engineers?

Mr. HARE. It has not. I am submitting it today for the information of the House and for the information of the members of the Committee on Roads with the hope that it may be considered of sufficient importance to justify consideration.

Mr. RIVERS. Whatever route is decided upon would be by and with the advice and consent of the Army engineers.

Mr. HARE. That is correct.

Mr. RIVERS. May I ask one further question?

Mr. HARE. Yes.

Mr. RIVERS. Is one termination of this road at Charleston, S. C.?

Mr. HARE. Yes; one of the auxiliary roads, and I am sure the gentleman would be in favor of that.

Mr. RIVERS. That would not be surprising. One further question: What will be the total cost of this road when finished?

Mr. HARE. No surveys have yet been made and the cost, therefore, has not been determined or estimated, but I would say it would be in the neighborhood of \$15,000,000,000.

Mr. BROWN of Georgia. This proposed highway goes from Texas, through Mississippi, Alabama, and the extreme northwestern part of Georgia.

Mr. HARE. Yes; and thence northward to the Canadian line.

Mr. Speaker, I appreciate the interest being manifested, but trust I may be permitted to proceed without further interruption at this time, because I would like to discuss the proposal in some detail.

Part of the proposal in this project is not a new idea. After the War of 1812, when our Navy had given a surprisingly good account of itself, both Army and Navy experts were of the definite opinion there was an outstanding military necessity for a better transportation system leading from the grain fields and industrial cities of the Midwest to the southeastern seaboard, and it was considered sufficiently important to warrant construction at the expense of the Federal Government. Andrew Jackson, hero of the Battle of New Orleans, and later President of the United States, shared the opinion of the military experts, although his idea was that such a system should run from the Great Lakes to the Gulf or from Canada to Mexico, but was very definite in his conviction that the system should touch some outstanding and improved port on the Atlantic seaboard. Charleston, S. C., being the most prominent port at the time, he suggested the system should run from there to Cincinnati, Ohio, and from there to Canada or the Great Lakes. He felt the military necessity for such a transportation system so strongly that when he became President he appointed Army engineers to make surveys with the idea of constructing a double-track railroad system from Cincinnati, Ohio, to Charleston, S. C. A number of routes were considered, but Colonel Long, of the Engineer Corps, recommended that the most feasible and strategic route at that time would be from Cincinnati direct to Knoxville, Tenn., thence to Maryville, Tenn., and from there via Walhalla to Charleston, S. C. Both military experts and national leaders felt that such a system would insure the Government the necessary materials for the manufacture of munitions and implements of war, a supply of coal and equipment sufficient for our Navy, and the transportation of an army from one section of the country to another. Naval experts insisted that if this country should again become involved in war with any country of Europe, it would probably be a naval war, and the scene of action would be along the Atlantic seaboard. Our experience for the last 2 years has shown their prophecy was not far wrong, for the progress of our defense in the present war has probably been interfered with by enemy U-boats and sub-

marines more on the Atlantic seaboard than any other section of the world.

It is considered by many that if it ever becomes necessary to defend the Monroe Doctrine our South Atlantic and Pacific Coast States will furnish the rendezvous for our military activities, the loading place for our Navy supplies and the storehouse for every implement of war, and that there should be no delay in providing transportation facilities to the scene of operations, because speed, distance, and direct transportation are extremely vital factors in any defense program. But regardless of where the attack may be the proposed superhighway will mean extraordinary service from every standpoint in meeting the enemy anywhere on the Western Hemisphere. It will facilitate the transportation and concentration of many essentials that will be indispensable should an attempt be made to attack the United States from any direction; it will afford easy access to those sections where our soldiers are trained in peacetime and assembled in wartime; it will afford better connection with munition plants, iron and steel plants, storage plants, aircraft plants, and other supply centers of war implements; it will furnish quick service in the delivery of coal, iron, and other materials to plants engaged in the manufacture of implements of war; it will furnish an outlet for transportation from every section of the country to the Atlantic and Pacific coasts and solve the highway problem of transportation to Canada and Alaska on one end, Mexico, Central America, and South America on the other. It will mean that all the steel mills, munition plants, airplane factories, packing plants, grain elevators, cheese factories, garment factories, and every other industrial and essential enterprise will all be nearer the base of concentration of our Army and Navy. In addition to facilitating transportation, it will make a tremendous contribution to the efficiency of our air forces by having runways or landing fields thereon at points at regular intervals to accommodate the landing and taking off of any type of airplane.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. HARE. I yield.

Mr. WRIGHT. I do not see how the gentleman can neglect connecting the ports of Boston, New York, and Philadelphia with the industrial sections such as the New England States, Pennsylvania, Ohio, Indiana, Illinois, and Michigan. It strikes me that a good bit of our movement right now in this country is from those industrial sections to the ports I have mentioned.

Mr. HARE. I agree with the gentleman, but my thought has been that the delivery of material and equipment coming out of the plants may be made over our State highways or Federal-aid highways; but such highways would not be sufficient to carry the enormously heavy tanks and other machines of war. We therefore need a superhighway system traversing the entire country of such character that should it be necessary in

time of war the heaviest tonnage could go over it without injury to the highway. I submit and I fully feel there will be additional auxiliary roads running out from the main circular highway to the points suggested if the general idea is approved by Congress.

Mr. ROBINSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. HARE. I yield.

Mr. ROBINSON of Utah. I hope the gentleman will make it clear that these highways he is suggesting here by these marks on the map are merely marks on the map; they are not proposed routes. Is that correct?

Mr. HARE. That is correct, further than to indicate sections to be traversed.

Mr. ROBINSON of Utah. For example, to illustrate what I am getting at, where the gentleman has marks in the western country, there are no highways there at all to speak of at the present time. The main arteries of trade on the main highways are not on the gentleman's map that you fix in these Western States at all.

Mr. HARE. Wherever there is already a trail or highway constructed, that could be enlarged and put in shape to meet military necessities and where there is no road fitting in with the surveys to be made a new one can be constructed.

Mr. ROBINSON of Utah. The gentleman, I am sure, would not want the people who live along the marks there to get the idea that the gentleman is proposing now to construct a highway in that particular area?

Mr. HARE. That is correct, for if this proposal is approved the roadbed may be located 50 miles or more from that indicated on the chart, and it is not proposed to be a part of our present highway system.

Mr. ROBINSON of Utah. What the gentleman is talking about is a military road?

Mr. HARE. That is the primary purpose.

Mr. ROBINSON of Utah. And the roads will be located to fit into that idea. He has no intention of locating any roads any particular place?

Mr. HARE. You are again correct.

Mr. ROBINSON of Utah. Especially so far as the western part of the country is concerned.

Mr. HARE. I submit that if anyone has a superhighway to locate which will meet the military necessities of this country to a greater and higher degree of efficiency than the one outlined, I will be glad to subscribe to the idea. The point I am making is that this country has reached a point in its history when military highways are absolutely essential and we should begin to construct them.

Mr. ROBINSON of Utah. One other question. Does the gentleman think that the military highway should be separate from our regular commercial highways?

Mr. HARE. Absolutely.

Mr. ROBINSON of Utah. That is the idea the gentleman has in mind?

Mr. HARE. Yes, decidedly.

Mr. ROBINSON of Utah. It is a fact, however, that during this war our highways that have been constructed for commercial purposes have served the military purposes to a very great extent and a very good piece of work has been done on these highways so far as the war effort is concerned.

Mr. HARE. I recognize that. They have rendered a wonderful service. What I am trying to emphasize is that if this country is ever invaded the highways that we have today would be of little value in serving our military forces, the Army, and equipment that would be essential for warfare. This proposal, in addition, will provide landing places for airplanes and bombers of different types at irregular intervals throughout its entire length.

Well-designed and constructed highways have always been considered an essential factor in war or a military campaign. History discloses that such highways have proven to be as effective in prosecuting and winning a war as other outstanding factors. The construction and maintenance of such roads date back to ancient and medieval days. They contributed much to the development and history of ancient Babylon, one time famous for its numerous military roads. One of the most celebrated highways of the world paralleled the southern boundary of the Assyrian Desert between Persia and Media as far as the Caspian Gates and then down the Parthian Mountains to Bactria. It is referred to by Greek historians as "the great military road" and is said to have been used by Alexander the Great in his expedition against the Bactrians.

Although stone-paved roads were constructed in Egypt, Cyrene, Crete, and other countries, the first system of paved highways for either commercial or military use was built by the Carthaginians when they developed a scientific formula and constructed a road system which was so complete and well arranged for military purposes the Carthaginians were able to defend themselves against all enemies for a period of more than 400 years. It was here the Romans learned both the art and the value of paved roads in time of war.

Probably one of the greatest engineering accomplishments in highway construction is found in the Inca road of Peru which extended from Quito in Ecuador to Tucuman in Chile, a distance of over 4,000 miles in length. It traversed some of the most mountainous areas in the world, scaling mountain ranges 14,000 to 15,000 feet in height, crossing canyons thousands of feet deep, and traversing vast and burning deserts. Like the highway system here proposed, there were a number of branch or auxiliary roads leading off from the main line, one of which paralleled the western coast of South America for a distance of over 2,000 miles. Historians tell us that this remarkable system of highways was used primarily by the ancient Peruvians for military purposes. We are told that throughout the system, sentry stations, watch towers, and forts were established. In addition there was a system

of signal fires and lights located in such a manner they could be used in transmitting messages from one end of the system to the other in an incredibly short time. Army supplies were stored at irregular intervals along the main road. To illustrate the rapidity of commercial traffic over this road, even before the use of wheeled vehicles, it is said that fresh fish could be caught in the Pacific and delivered to the Incan capital of Cuzco within 30 hours, a distance of more than 300 miles and over mountains 15,000 feet high.

Napoleon I is credited with inaugurating the modern system of military highways in France and in countries conquered by him. Perhaps the most famous road to be constructed is what is known as the Simplon Pass over the Alps into Italy, constructed primarily to overcome the difficulties in leading his armies over the St. Bernard Pass in order to attack the Austrians 150 years ago. It is reported that over 30,000 men were employed at one time in the construction of this road, which necessitated upward of 600 bridges and ascended a height of more than 6,500 feet. It was one of the great engineering accomplishments of modern days and contributed immeasurably to the success of his invading armies. This was well recognized by his enemies for after his downfall, they attempted to destroy this highway lest it should prove a monument that would outlive the fame of his military victories.

Mr. Speaker, think of what would happen to this country if there should be an attempted invasion. Suppose we had not succeeded in securing the good will of the people south of us and an invasion had been started from that section of the country 2 years ago, with our present transportation system. It could have been tragic, and preparation for the future from the standpoint of transportation cannot be inaugurated too soon.

One of the first outstanding programs undertaken by Adolf Hitler in preparing for the Second World War was the inauguration of a program providing for the construction of highways designed to meet the needs of speed of 100 miles per hour or more over long distances. His original plan called for a little more than 4,000 miles of roadways suitable for fast military transportation purposes, but the program was later expanded to cover upward of 6,000 miles.

This brings out the thought advanced a few minutes ago by the chairman of the Committee on Roads that the roads constructed in Germany by Hitler had little or no reference to the then existing roads, although we are told they have other excellent highways in that country.

These roads are separate and distinct from the long-established road-building policy of the Imperial Government and were designed from the standpoint of location to be of strategic military value, the standard width for such roads being 80 feet, and constructed so as to carry the heaviest possible load at the highest possible speed.

THE ALASKAN HIGHWAY

The construction of a highway from the United States to Alaska was discussed for quite a number of years, but no definite proposal for a route was made until about 1928, when Donald MacDonald, associate engineer of the Alaska Road Commission, proposed a road from Hazelton to Fairbanks. Mr. MacDonald organized an international highway association and obtained official support for the project from Mr. Hoover, President of the United States, and Premier Tomlie, of British Columbia, in 1930. In 1938, the President, under authority provided for by an act of Congress, appointed five men to the Alaskan International Highway Commission, to cooperate with a similar commission appointed by the Dominion of Canada, to study, survey, and locate what is now known as the Alaskan Highway. With the bombing of Pearl Harbor and the invasion of the Aleutian Islands by the Japanese, the necessity for the United States to build a military road to Alaska became evident. On March 6, 1942, the Canadian Government announced its approval of the recommendation of the Permanent Joint Board of Defense—United States and Canada—that a highway be built, and accepted the offer of the United States to construct it. On the same date Maj. Gen. Eugene Reybold, Chief of Engineers, United States Army, addressed a request to the Federal Works Agency that the Public Roads Administration cooperate in the location and construction of the highway.

Largely by the use of aerial reconnaissance, a route was quickly determined to serve the dual purpose of a supply line to Alaska and a feeder road to a chain of airports established in 1941 through Canada and Alaska by the United States and Canadian Governments. Covering vast stretches of unmapped wilderness, the 1,671-mile international highway from Dawson Creek, British Columbia, to Fairbanks, Alaska, was opened within about 6 months, an engineering feat of first magnitude. Begun in March 1942, the road was ready by November for truck traffic over its entire length.

THE PAN-AMERICAN HIGHWAY

Writing in the *Geographic Review* in January 1943, Mr. William E. Rudolph said of the Pan-American Highway: "Most important of all strategic highways, from the long-time point of view, is that connecting the United States with Latin-American countries." This system of routes designed to connect all the countries of the Americas will be, when completed, a means of knitting together these countries, facilitating the interval exchange of commodities and otherwise developing national economy.

The first suggestion for a pan-American system of highways was made at the fifth international conference of American States which met in Santiago, Chile, in 1923. A resolution of this conference called for an official pan-American highway congress. This congress, comprised of engineers from 19 Latin-American nations, met in Washington in

1924. The Pan-American Highway was the inspiration of the group. A series of conferences, resolutions, official visits, and reconnaissances have followed.

Until 1942, that part of the Pan-American Highway located in Mexico and Central America, known as the Inter-American Highway, was being financed and built mainly by the countries through which it passes, but with technical and financial assistance from the United States. Each affected country had constructed some part of the road. Three-fifths, or nearly 2,000 miles, of the approximately 3,400 miles of road from Texas to the Panama Canal had been opened for all-weather travel in unconnected sections.

The completed highway will open up a large area of the North American continent capable of producing many commodities for which the United States has been dependent on the Far East—rubber, wool, hard rice, tea, cinnamon, camphor, quinine, copra, oils, varnish gums, abaca hemp, and others. Together with lateral roads that are developing from it, the highway will greatly stimulate the productive capacity of Central America and facilitate an exchange of production among the various Central American countries.

In the Panama Canal Zone the Inter-American Highway connects with the Trans-Isthmian route between the terminal cities of the Canal, Cristobal, and Balboa, and also between the two Panamanian cities of Colon and Panama. Working day and night, the United States Public Roads Administration completed, in 1942, two highways of great value to the defense of the Panama Canal, namely, the Trans-Isthmian Highway and the Chorrera-Rio Hato Highway, a section of the Inter-American Highway leading to important air defenses for the Canal.

THE BURMA ROAD

Following the outbreak of the war in eastern China in July 1937, the Chinese Government determined upon the construction of a military road to Burma. The difficulties, however, seemed insurmountable. Two routes were considered, both necessarily crossing a number of mountain ranges separated by some of the deepest canyons in the world. The longer route was chosen because it could make use of about 263 miles of provincial road already constructed. The new sections were built through rugged mountain country. Within one 40-mile stretch the route dips from 7,200 to 2,500 feet and rises again to 7,500 feet.

With a subsidy amounting to less than \$2,000,000 from the Central Government of China, the Yunnan Provincial government took charge of the construction of the road. Most of the work was done by the people of the Province, each country being responsible for building its section of the road and furnishing its own quota of workers. The completion of the task was the more remarkable because of the lack of modern machinery. An American engineer studying the construction is said to have exclaimed, "My

God, they scratched these roads out of the mountains with their fingernails."

The wisdom of a planned international highway system as a basic part of a war program has been exemplified by the Burma Road. However, observers who have compared this road with finished sections of the Pan-American Highway, such as those in Peru and other American republics, rate the Burma Road as really a back-country, grade D highway. Yet, in 1941, the Burma Road provided 20,000 tons of vital military and hospital supplies per month for the fighting Chinese armies.

When the Burma Road was first opened its capacity was limited to about 5,000 tons a month. Despite lack of machinery and equipment, lack of organization, technical difficulties, lack of fuel, inadequate surfacing, and an unremitting rain of Japanese bombs, this artery continued to function until Burma was conquered by the enemy. Over this road moved strategic materials, such as tin, antimony, tungsten, wolfram, lead, quicksilver, tung oil, mica, acids, and TNT. Other items reported to have been trucked over the road included heavy and bulky material, such as iron, steel, railway parts, shipbuilding parts, and copper.

Leaders of the United Nations have continually stressed the fact that the present world conflict is basically a war of transportation. Every medium of transportation is included in this battle line. These lines of communication are the very fiber of world strategy. And in the vast interplay of movement of men and machines on the global battle fronts, military highways, long and short, are playing a significant wartime role.

Our final victory over Japan may be made possible by the long survival of war-torn China at the end of heroic supply routes, such as the Burma Road and the reconstructed Silk Route.

On the other hand, a North American Newspaper Alliance war correspondent from the southwest Pacific has pointed out that largely because of the failure to construct adequate military highways, the Japanese have recently been compelled to yield territory which they conquered, saying that during the major part of the ground fighting at Guadalcanal the Japanese had great superiority in both manpower and firepower, but for lack of useful roads through the jungle they were never able to deploy and maneuver effectively and were unable to bring their superiority to bear upon the point of attack.

The Alaskan Highway and the Pan-American Highway will prove to be of inestimable military value to the United States should an invasion of any kind be attempted, but so long as the connecting link between the two roads is not constructed, they cannot reach maximum military importance, nor can they be of the greatest commercial value in peacetime. The proposed highway, or a road serving the same purpose, is indispensable, and our failure to construct it would be nothing less than an exhibition of bad faith in light of the interest we have manifested up to date in the construction of the two roads through our

neighboring countries to the north and south of us.

In conclusion, may I say that so far I have endeavored to outline justifications for the proposed highway from the standpoint of a military necessity. Should opportunity afford, I shall at a later date undertake to justify its construction from the standpoint of both national and international economy. A number of us would like to see the proposal approved and construction begun at the earliest possible date because this war is not over; it has been going on in Europe for 4 years and if the European segment of the war continues for 4 years longer my prediction is we will be greatly in need of this highway. In the meantime, we may be able to construct the entire road with prison labor and alien-enemy internees at a lesser cost than if delayed. Others feel that the proposal should be approved and surveys made in order that it may become a part of the post-war program. But regardless of whether the highway should be constructed immediately or whether it should become a part of the post-war program we want to emphasize the danger that may follow unnecessary delay in the consideration of the proposal.

It will be observed that the main highway and the suggested auxiliary roads will touch 32 of the 48 States and will, therefore, meet one of the military necessities of practically every State in the Union and afford better transportation facilities in time of peace to practically every locality in the United States.

The approval of this proposal as a part of any post-war program that may be evolved can well be justified from the standpoint of national economy. In the first place, it will furnish immediate employment to several hundred thousand people following the war during the transition period when industry is being changed from a program of production primarily for war purposes to a program for the production of civilian goods. It will obviate the necessity of returning to former relief programs that contributed little or nothing to our national economy. On the contrary, it will be a business-like program and make a constructive contribution to the Nation's wealth; it will help stimulate the spirit of personal business ambition and encourage private enterprise to provide additional post-war employment; it will in the meantime assist and encourage an additional post-war policy designed to encourage the establishment of new enterprises by persons who will be able to utilize and further develop the training and experience obtained in the war production program.

It has been suggested from time to time that at least three superhighways be constructed to extend across the entire country from the Atlantic to the Pacific. I subscribe to the necessity and value of such a system but I submit that the circular proposal would serve the domestic needs of the United States to a much greater extent and would have the added value of meeting our international requirements with the countries both north and south of the United States, and can be constructed with

about one-half the mileage. In other words, the proposed circular highway, including the six auxiliary roads can all be constructed with 10 percent less mileage than that of any three coast-to-coast roads, and, in addition, include direct connection with the two international highways at the Canadian and Mexican borders. Further than that, the circular highway including a similar additional road running from one side of the circle near Chicago across the middle of the United States and connecting with the opposite side of the circle and the auxiliary road near Salt Lake City has only 80 percent of the mileage involved in the construction of any three coast-to-coast roads.

I would like for it to be understood that I am not opposing the proposed three-road system but am endeavoring to show that the proposed circular system will give the same or better service with less mileage with a corresponding reduction in the cost of construction.

This road will have the added value of connecting with Canada and Alaska at the north and the further value of connecting with Mexico, Central America, and the South American republics.

From the standpoint of economy, from the standpoint of meeting military demands, and from the standpoint of national economy, this circular proposal meets all of them.

Mr. ROBINSON of Utah. Will the gentleman yield?

Mr. HARE. I am glad to yield to the chairman of the Committee on Public Roads.

Mr. ROBINSON of Utah. Has the gentleman in connection with his statement about the economy of roads taken into consideration that only about 15 percent of the travel in the country today is travel from coast to coast, either from the Pacific to the Atlantic or from Mexico to Canada, that at least 85 percent of the travel today is short travel within say 100 to 200 miles around the larger cities?

Mr. HARE. I am sure the gentleman from Utah is correct in his observation but what I have tried to emphasize is that the suggested superhighway is proposed primarily as a military necessity, brought about by the inadequacy of our present road system, despite its marvelous contribution to our national economy, to meet demands and requirements in case of an invasion. I cannot get away from the idea that the objective of the next great war, which we hope will be long-delayed, will be an attempted invasion of the United States or the continent of North America, and it is not too soon to begin preparations to meet the invader at the border.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. HARE. I yield to the gentleman from Texas.

Mr. POAGE. The gentleman's present remarks emphasize something that has been going around in my mind since I have been looking at that map. Would it not be necessary to have some kind of superhighway down the Atlantic seaboard, because there are so many points

of strategic importance from New York to Washington and Norfolk where a landing could be made and, under that set-up, there would be no way of getting to any of those points with a superhighway.

Mr. HARE. The point may be well taken, but I am not a military expert. I am not even an engineer, but the difficulty in placing the road along the coast would be the danger of its destruction by bombs coming from ships miles off shore, which would seriously interfere with our military program on land. My idea is that a circular highway as here proposed would be better and from that circular highway build the auxiliary roads out to the coast or the points of strategic importance suggested by the gentleman from Texas. I have no doubt that if this proposal is accepted additional auxiliary roads will be constructed running to New York, Philadelphia, Norfolk, Wilmington, Savannah, and other points on the Atlantic, the Gulf, and Pacific coasts.

The SPEAKER pro tempore (Mr. GRANGER). Under a previous order of the House, the gentleman from New Jersey [Mr. POWERS] is recognized for 20 minutes.

ARMY SERVICE FORCES

Mr. POWERS. Mr. Speaker, the most significant statement that came out of the Teheran Conference was made one evening last week by Premier Stalin.

It was a simple statement, calm, plain, and as direct as the man who made it. It contained neither boast nor threat. It pointed not to the future but to an accomplished fact.

The marshal of the Red Army lifted his glass at dinner and drank a toast of gratitude to American supply. Without it, he asserted, "the United Nations never could have won the war."

In the midst of his great victory, Stalin was willing to share the credit with the millions of working Americans who made that victory possible. And he shared credit, at the same time, with that division of the American Army which many of us sometimes forget in our enthusiasm for front-line troops—the Army Service Forces.

Without the brilliant planning, the skillful execution, the stupendous labor, the great daring of Army Service Forces, victory on the Russian front still would be a long way off. Not only the Russian front, but every front—American, British, Chinese, and French—is utterly dependent on this vast, world-circling organization.

This is a war of battle lines, assembly lines, and supply lines, and the supply lines are the longest in history. Wherever our soldiers and the soldiers of our allies fight, the Army Service Forces supply them with all the ingredients of victory. Theirs is an humble role. Theirs is the labor and the drudgery. Theirs is the task of getting the right number of the right men with the right amount of the right equipment to the right places at the right time. The field commander who makes an error of judgment and feels the battle turning against him may

attack again and attain his victory. If the Army Service Forces make an error of judgment that results in too little or too late, defeat is inevitable.

So, I say, let us give to these soldiers of supply and to their great, hard-working commander, the credit that is their due. Without detracting in the slightest from the splendid achievements of our air forces and ground forces, let us see to it that the service forces receive their share of homage, too.

It is fitting that Premier Stalin should have chosen the old city of Teheran as the scene of his terse but all-important tribute to American supply.

For that ancient town for more than a year has been one of the most important bases in the world, a base established and operated by Army Service Forces. There, on the road to Russia, American skill, American determination, American industrial know-how and military genius have joined in formulating at least part of the pattern of victory.

When the history of this war is written the importance of that base, halfway around the world, will assume its proper proportion. Teheran and the road and the railroad that pass through it have literally been the life line of the Red Army. And the job of pumping blood through that life line was the job of Army Service Forces. Premier Stalin attests the fact that it was a job well done.

A year ago when the Russians were falling back and the Nazi Army was swarming across the steppes on its way to Moscow, a vast portion of the Russian war industry was overrun and destroyed. Then it was that the American Army Service Forces quickly stepped in, as they have stepped in so many other theaters of war, and turned a rout to victory.

Packs of submarines prevented our sending munitions by the northern route to Russia's Arctic ports. The Black Sea ports were closed. Remaining open was one rocky, narrow road, 700 miles long, from Russia's southern border to the steaming ports at the upper end of the Persian Gulf. There were a few docks, a few cranes, a few warehouses down there on the gulf. A rusty railroad wound its uncertain way over mountains and deserts into the tropic heat of the gulf ports.

If Russia were to remain in the war, Russia must have help. And this breathless, blistering far corner of the world was the only gate through which we could offer our aid.

The Army Service Forces saw another need for taking the long chance and took it. There was no time for detailed plans or for thoughtful preparation. Maybe it would be impossible to open the line. Maybe the quantity of material that could be shipped over this long route was too small to save the situation. Maybe the difficulties were insurmountable. Maybe the plan would be expensive.

Call the decision reckless if you will. The situation was so desperate that only a reckless decision was possible. There was no time to figure out in advance the thousand intangibles that could lead to

failure or success. There was no time for anything except action; quick, decisive, all-out action. General Somervell and the Army Service Forces took that action. They did not delay a single second. They did not count the cost of success; they saw only the fearful cost of failure that they must avoid.

Our supply lines to the far southwest Pacific, to India and China, to England, and the Mediterranean already stretched our shipping to the breaking point. But here was a challenge to our ingenuity that surpassed all the others.

Our ships, sailing from American ports, must cross both North and South Atlantic Oceans. They must circle the tip of Africa and steam up the East Coast of that continent through the Indian Ocean, infested with Japanese raiders. They must enter the narrow waters of the Persian Gulf, traverse its length to the moldering ports on the marshy coasts of Iraq and Iran, then push overland 900 long, hot miles to the Russian frontier.

The total distance is 17,000 miles. Scoffers said it could not be done. But the Army Service Forces have been beset by the voices of scoffers and the taunts of second-guessers ever since they were organized. General Somervell and his staff have never had a single minute to spare on the luxury of deliberation. They have just had a job to do, and they have done it, and they have done it well.

They did this job on the road to Russia and they did it magnificently. In co-operation with the Navy they pushed their ships up the steaming waters of the Persian Gulf to the few rotting piers in the ancient ports of Basora, Bandar, Shapur, Abadan, and Kharramshahr—names out of antiquity rather than out of any modern shippers' guide.

They tied up at the piers and began to unload. While truck companies rushed supplies north, companies of engineers began to rebuild the docks. Other engineers went to work on the road. Still others on the railroad. Heavier rails, heavier bridges, freight yards, locomotive shops sprang up. The Signal Corps of Army Service Forces began to put in a telegraph and telephone system. The Medical Corps of Army Service Forces built hospitals and began the endless fight on malaria and other tropical diseases.

Big cranes took the place of small cranes on the docks. They soon were swinging new locomotives down to the new tracks. A car shop was built almost overnight, and hundreds of freight cars a week took to the rails, laden with the implements of war.

Great truck assembly plants sprang up on the desert and in the Tropic marshes along the gulf, and soon the trucks were rolling off the assembly lines. They, too, were loaded with munitions and guns and food and medical supplies. The great northern movement had begun.

Where three or four ships had berthing space a year ago, whole fleets sail in today. Where it took weeks to unload a single ship, now half a dozen ships are unloaded in a matter of hours.

It has been said that the operation is expensive.

Of course it is. Measured in dollars, each shell exploded on the Russian front is an extravagance. Measured in terms of ultimate victory, in terms of American lives saved, in terms of days and weeks and months saved, the operation is dirt cheap. It is as fine an investment as we have made anywhere in this whole war.

The important point is that we are getting results. We are getting such results that Premier Stalin's one comment at the Teheran Conference was in praise of those results. Until today no one has attempted to list the amount of the supplies we have sent in or their variety.

But I can give an over-all figure.

Since General Somervell opened the Persian Gulf ports, he has sent into Russia a million and a quarter tons of munitions. I repeat, a million and a quarter tons.

You can translate that into more dramatic statistics. You can translate it into the heroic defense of Stalingrad and the turn of the tide against the Nazis. Stalingrad was a triumph not of Russian soldiers alone but of Russian soldiers and American guns and shells. The tanks that routed the Nazis out of the Caucasus were American tanks. Many of the planes that blasted the Nazis from the bend of the Dneiper were American planes, assembled on the Persian desert, and the bombs they carried were American bombs, transported the long, hard way, half around the world.

Yes; Stalin knows. He knows that his soldiers, no matter how brave, would have been helpless without the aid of American industry and the aid of the Army Service Forces on the earth-circling road to global war.

Not only in Russia but everywhere the men of the free nations are fighting, the Army Service Forces sustain them in their fight. In the hills of Burma it is the bulldozers of the Army engineers, who are part of A. S. F., that lead the way in building the link between China and our forces in India. In Alaska and in the southwest Pacific, in Africa, and in Italy and in England, the men of the Army Service Forces are keeping open the roads to victory and hauling the tools of victory.

Whenever a plane takes off to blast our enemies, the gasoline that powers it has been secured and shipped and stored and preserved and guarded by Army Service Forces. Each bomb that falls is an Army Service Forces bomb. Each shell that bursts on a hostile strong point is an Army Service Forces shell. Each gun that fires, each tank that rumbles forward, each sack of cement poured into one of our own pill boxes comes from Army Service Forces.

The duties and responsibilities of the Army Service Forces are so extensive and so varied it is hard to catalog them. The A. S. F. not only designs our implements of war, procures them from private industry or manufactures them itself, but it transports them and maintains them and has them ready at a moment's notice to go into the fighting lines. Once there, the A. S. F. repairs

them under fire, and in the end hauls them away for salvage.

It, too, is charged with the responsibility of feeding and clothing our individual soldiers, building their camps and posts, their airfields, hospitals, theaters, their sewers and roads and bridges and water supplies. They nurse the wounded and the sick—for the Medical Department is part of this vast organization—entertain soldiers when off duty with radio and motion pictures, maintain their morale, look after their spiritual needs through the Corps of Chaplains.

The Finance Department of Army Service Forces not only pays the soldiers but pays all the Army's other debts. The A. S. F. handles military traffic and maintains order through the new Corps of Military Police; it administers military justice. It handles all Army communications as part of the Signal Corps; is responsible for protection against poison gas; it lays smokescreens; it operates military railroads; it transports men and materials; it keeps all Army records; it carries the soldiers' mail overseas; it is responsible for collecting, classifying, and holding prisoners of war; it trains the men who establish civil government in occupied territory; it buries the Army's dead.

How gigantic the A. S. F. task has become can best be illustrated by comparing this war with World War No. 1.

In 1918 we raised an army of 4,000,000 men.

We now approach a total of 7,500,000. In the first war we sent 2,085,000 men overseas.

Today the number of soldiers overseas is half a million higher.

In 1918 we maintained a short shuttle service across the Atlantic to the western ports of Europe. Our troops fought in 13 campaigns, 1 in Italy and the others on the short western front in France.

Today our supply lines circle the globe. To date our troops have fought in the Central Pacific, the Philippines, the East Indies, Papua, New Guinea, Guadalcanal, the northern Solomons, Burma, the India-Burma frontier, China, the Aleutians, Egypt, Libya, Algeria, French Morocco, Tunisia, Sicily, Italy, and in the air offensive from England. They have been stationed besides in Alaska, Greenland, Iceland, in Arabia, the west coast of Africa, in South America, Australia, the Caribbean. Each campaign and each distant station requires its own supply line.

During the First World War we manufactured 132,000 machine guns of all types. In 2 months recently we produced 282,000.

In the other war we produced a grand total of 80 tanks. In 2 months this year we produced 5,000.

This month we built more planes than we did in the whole span of the first war.

We are turning out 80,000 Garand rifles a month, 419,000 aerial bombs.

No wonder Premier Stalin drank a toast to American production and to the men in industry and labor—and in the Army Service Forces—who have made it possible.

Not only all America, but all free, fighting men everywhere owe a debt of gratitude to Lieutenant General Somervell and the officers and men who have made possible the triumph of American supply.

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HAYS. Mr. Speaker, I wish to say a word in personal appreciation of the very excellent statement the gentleman from New Jersey [Mr. POWERS] has just delivered to the House. It is a thrilling story of the achievement of the Army Service Forces. I particularly appreciate his reference to the brilliant achievement of Lieutenant General Somervell. I am sure he will understand the pride that the people of my district and State exhibit in General Somervell's brilliant leadership. He is a native of Arkansas, and I listened with great interest to the thrilling story which the gentleman from New Jersey [Mr. POWERS] presented to the House today. I wish to thank him for it.

Mr. POWERS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the distinguished gentleman from New Jersey.

Mr. POWERS. I deeply appreciate the remarks of the gentleman from Arkansas. I cannot believe that the gentleman or anyone in his district is more proud of the achievements of Lt. Gen. Brehon Somervell than the country as a whole. I wonder if the country at large realizes just what this man has done, the stupendous job he has done. I wonder if we realize that in tonnage and dollars and cents he has handled more than any other 10 large corporations in the United States combined in any 1 year. He has done a magnificent job. We are all proud of him.

Mr. HAYS. I thank the gentleman very much. I am sure the country, as they read the words of the gentleman from New Jersey, will be thrilled by his inspired statement.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has expired.

EXTENSION OF REMARKS

Mr. GWYNNE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

(Mr. HOFFMAN asked and was given permission to revise and extend his remarks in the RECORD.)

Mr. WOLVERTON of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record on the subject of aviation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HARNESS of Indiana. Mr. Speaker, I ask unanimous consent that on Friday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. CHURCH] is recognized for 20 minutes.

POWER OF CONGRESS TO APPROPRIATE PUBLIC MONEY AND RESTRICT THE USES THEREOF

Mr. CHURCH. Mr. Speaker, Congress must not recess until its power over the purse strings of the people is protected. That power is seriously challenged right now, this week, in the Court of Claims, by Lovett, Dodd, and Watson, for whose salaries Congress denied appropriations. That challenge should be met and defended with vigor, courage, and great ability by counsel whose appointment Congress must immediately authorize, before it recesses, because its counsel must be prepared before January 12, when the time expires for the filing of proper pleadings. Congress must not recess until that is done.

Mr. Speaker, I should like to talk today on the power of Congress to appropriate public money and to restrict the uses thereof.

I arise again today in defense of the Constitution of the United States and the age-old power therein conferred on the Congress—the elected representatives of the people—to appropriate public money and to restrict its uses.

This power to appropriate public money and to provide for its uses is contained in article I, section 9, of the Constitution in the following words:

No money shall be drawn from the Treasury, but in consequence of appropriations made by law.

And that power is nowhere limited in the Constitution except in section 8 where it is provided that—

No appropriation of money to that use (for the support of the Army) shall be for a longer term than 2 years.

Mr. Speaker, the Supreme Court of the United States has for the first time recently stated in *Butler v. United States* (297 U. S., at pp. 65 and 66), with respect to this power of the Congress to appropriate money, that—

Since the foundation of the Nation sharp differences of opinion have persisted as to the true interpretation of the phrase, Madison asserted it amounted to no more than

a reference to the other powers enumerated in the subsequent clauses of the same section; that, as the United States is a Government of limited and enumerated powers, the grant of power to tax and spend for the general national welfare must be confined to the enumerated legislative fields committed to the Congress. In this view the phrase is mere tautology, for taxation and appropriation are or may be necessary incidents of the exercise of any of the enumerated legislative powers. Hamilton, on the other hand, maintained the clause confers a power separate and distinct from those later enumerated, is not restricted in meaning by the grant of them, and Congress consequently has a substantive power to tax and to appropriate, limited only by the requirement that it shall be exercised to provide for the general welfare of the United States. Each contention has had the support of those whose views are entitled to weight. This court has noticed the question, but has never found it necessary to decide which is the true construction. Mr. Justice Story, in his Commentaries, espouses the Hamiltonian position. We shall not review the writings of public men and commentators or discuss the legislative practice. Study of all these leads us to conclude that the reading advocated by Mr. Justice Story is the correct one. While, therefore, the power to tax is not unlimited, its confines are set in the clause which confers it, and not in those of par. 8 which bestow and define the legislative powers of the Congress. It results that the power of Congress to authorize expenditure of public moneys for public purposes is not limited by the direct grants of legislative power found in the Constitution.

This great power to appropriate public money, for the first time authoritatively decided in the case just quoted to be unlimited in the Congress was no accident. Almost identical provisions are found in nearly all of the 13 State constitutions which antedated the Constitution of the United States and which were adopted at the suggestion of the Congress of the Confederation following the adoption of the Declaration of Independence. Back of this great power is not only the experience of the English people with their arbitrary kings but the experience of the people of each of the Thirteen Colonies, at one time or another, with arbitrary and despotic governors sent to rule over them by either the English kings or by lord proprietors.

As the great student of our constitutional history, John Randolph Tucker of Virginia, stated in the extract from his address on the floor of this House, which I quoted in my remarks on December 7, 1943, this power over the purse has been proven necessary in the history of Anglo-American governments for the control of rulers and bureaucrats. The late ex-President of the United States, William Howard Taft, who later became Chief Justice of the United States and the only man in our entire history to have held successively the two highest offices in our executive and judicial branches of Government, had this to say in his book, *Our Chief Magistrate and His Powers*:

The power over the purse is, however, practically the greatest power, and that Congress exercises without control by either of the other branches. . . . The legislative power to withhold appropriations is that which in the history of constitutional government has always been the most powerful agency in defense of the people's rights.

MESSRS. LOVETT, DODD, JR., AND WATSON

Mr. Speaker, it is exactly that legislative power "to withhold appropriations" that has been questioned by Attorney General Biddle and by Messrs. Dodd, Lovett, and Watson. The appropriation bill which became law on July 12, 1943, did not attempt to remove Dodd, Lovett, and Watson, or any of them, from the public pay roll. The Congress withheld the use of that appropriation, or any other appropriation to make any payments to any of these three men after November 15 unless in the meantime they had been nominated by the President and confirmed by the Senate.

There has been much misrepresentation as to what Congress did do in the matter. I want to make it very clear that no action was taken by Congress to remove any of these men from the executive service. Congress, I believe, fully appreciates that it could remove these men only by impeachment. But Congress does not have to resort to impeachment proceedings. It resorted to the constitutional grant of power, older in its source than the Constitution itself, and exercised the right contained in that grant of unlimited control over appropriations to withhold all appropriations for use in paying these three men or any of them unless certain conditions were met within the reasonable period between July 12 and November 15.

The Congress created each and every one of these executive agencies of Government. The Congress prescribed their duties and powers. In the exercise of its power to legislate, as granted in article 1 of the Constitution, these powers may be as wide or as narrow as may suit the convenience or even the whim of the Congress. It may prescribe conditions of public employment in these agencies and it did prescribe the conditions under which these three men could be employed after November 15—namely, nomination by the President and confirmation by the Senate. Those conditions have not been met. Under the constitutional right of the Congress, it had, in effect, notified all concerned in the terms of a public statute that all appropriations made to pay these men were limited to November 15, and that none would thereafter be made to pay them unless such conditions were met of nomination by the President and confirmation by the Senate.

It is this power which has been challenged by Dodd, Lovett, and Watson, with the encouragement and support of certain persons in the executive branch of the Government. There was encouragement in the agencies themselves. The men in charge of these agencies employing Dodd and Watson and the one employing Lovett knew on November 15, 1943, that they had not been nominated by the President and confirmed by the Senate and that there was no appropriation authority to pay them. Yet these men were permitted to keep on working, building up a claim against the United States and this in the very teeth of a statute enacted by the Congress many years ago which prohibits any agency of the Government from accepting vol-

untary services. This prohibition is contained in section 3679, Revised Statutes, as amended by section 3 of the act of February 27, 1906 (34 Stat. 49), now title 31, section 665, United States Code, as follows:

Nor shall any department or any other officer of the Government accept voluntary service for the Government or employ personal service in excess of that authorized by law, except in cases of sudden emergency involving the loss of human life or the destruction of property.

Mr. Speaker, the punishment for violation of this statute is fixed therein and I quote:

Any person violating any provision of this section shall be summarily removed from office and may also be punished by a fine of not less than \$100 or by imprisonment for not less than 1 month.

Perhaps, Mr. Speaker, before this issue is settled, the attorney whom I hope we shall employ to defend the rights and powers of the Congress, may be directed by us to proceed against those responsible for the violation of the terms of the law prohibiting the acceptance of voluntary services on behalf of the United States. Such proceedings may take the form of both a writ of quo warranto to try in the courts their rights to remain in office as well as criminal proceedings.

But the violation of this statute is not all, Mr. Speaker. Section 3662, Revised Statutes—now title 31, section 591, United States Code—provides that:

All estimates for the compensation of officers authorized by law to be employed shall be founded upon the express provision of law and not upon the authority of executive distribution.

Also, section 5 of the act of August 15, 1876—19 Statutes at Large 169—now title 5, section 45, United States Code, provides:

That the executive officers of the Government are hereby prohibited from employing any clerk, agent, engineer, draftsman, messenger, watchman, laborer, or other employee, in any of the executive departments in the city of Washington, or elsewhere, beyond the provisions made by law.

Estimates were submitted by the agencies of Government employing Dodd, Lovett, and Watson sufficient to pay their salaries, but the Congress did not see fit under its constitutional power to appropriate any money to pay these men any salaries whatever after November 15, 1943. In order to secure any salaries after that date they must be nominated by the President and confirmed by the Senate. No office or employment had been theretofore fixed or created by statute for any of these three men—and none could be in this Congress, it is safe to say. The only authority to employ them in the first instance was an appropriation sufficiently large to provide for the payment of their respective salaries. Such appropriation authority expires by operation of law and probably by the appropriation having been used or rendered unavailable after the expiration of the fiscal year for which made. In the appropriation act approved July 12, based on estimates contained in the Budget as presumably prepared in accordance with

law, the appropriation authority for paying these men in their present status ceased on and after November 15. They had to acquire a different status, that of having been nominated and confirmed, before any more appropriated money could be used to pay them any salary for any purpose whatsoever.

Mr. Speaker, all these laws and more are involved in the suits filed on December 3, 1943, by each of the three men in the United States Court of Claims, seeking to defy the constitutional and legislative authority of the Congress. Attorney General Biddle having expressed his opinion in favor of the claimed lack of constitutional authority of the Congress to withhold appropriations to pay Messrs. Dodd, Lovett, and Watson, has now suggested that Congress might provide its own counsel "to file a brief and to argue on behalf of the position of the Congress" in the Court of Claims. A copy of part of Mr. Biddle's letter to the Speaker and to the Vice President appears in the CONGRESSIONAL RECORD of December 8, page 10401, as follows:

I shall be glad to suggest to the court that anyone you may select be given the right to file a brief and to argue on behalf of the position of the Congress. I shall also be glad to confer with whomever you name for the purpose of working out the best procedures finally to dispose of these cases. * * * I regret that in these cases I find it impossible to advocate with conviction the views of the Congress.

Mr. Speaker, unless we push through legislation this week for special counsel to represent Congress, we should remain in session during the Christmas week if necessary. It is already being proposed that Congress recess the latter part of this week until January 10 or 12. It is of the utmost importance that before January 12, 1944, when the time expires for the filing of the proper defense pleadings in the Court of Claims on behalf of the power of the Congress that we be represented in such suits by an attorney of our own choice and by a man who knows the appropriation authority of the Congress, its history and purposes, backward and forward. This issue must not be lost through the failure of the elected representatives of the people to be properly defended.

The public press recently reported, by what authority I know not, that the Attorney General had stated that a demurrer would be filed so as to raise the constitutional questions as to the constitutional power of the Congress in the premises. I now and here, and most emphatically, object to the filing of any such demurrer and litigating the issue thereon. Lawyers know that a demurrer admits for the purposes of the case the facts well pleaded in the petition. I for one do not want these cases defended in any such manner.

The Congress had each of these cases under investigation for literally months. Hearings were given these men. On the basis of such investigations and hearings, Congress concluded that these men held political views harmful to the basic purposes of our constitutional form of

government; that they belonged to, or had belonged to, organizations openly bent upon destroying our form of government and our system of free enterprise; and that we did not want these men on the public pay roll, boring from within and spreading their slimy doctrines among their fellow employees of the Government.

Each of these men made the record for himself. We are in possession of that record, or at least a part of it. I for one want the Supreme Court of the United States, as well as the Court of Claims, to have the complete record before them when the case reaches them for consideration and determination. I want the courts to know why Congress exercised its constitutional authority to refuse to appropriate public money to pay these men after November 15, 1943. We want no "You first, Alphonso" stuff in this defense. I want an able, unafraid, vigorous defense of the constitutional power of the Congress over the withholding of appropriations and over its power to prescribe the qualifications of officers and employees of the United States.

January 12 will come almost immediately after we return following the holidays. Our counsel must necessarily have some time, with such assistance as we and employees of the various committees can give him, to prepare himself on the facts in these cases. He will probably want to file a general denial, a "traverse," I believe it is called in the Court of Claims, and force each of these cases to a hearing on the facts for the record in the courts. We should act now so that such counsel can be selected before we leave for the holidays. The time will be too short for action by Congress before January 12 after we return and our counsel will not have time in that event to do any preparatory work on the cases before filing the appropriate defense pleadings.

Mr. Speaker, Messrs. Lovett, Dodd, and Watson are represented by the Washington law firm of Covington, Burling, Rublee, Acheson & Shorb in the United States Court of Claims, a court held by the Supreme Court of the United States to be a "legislative court."

The Acheson of this law firm filing the suit for these three men contesting the power of Congress to provide in an appropriation act that public moneys could not be used to pay them any salaries on and after November 15, 1943, unless they were nominated by the President and confirmed by the Senate, is Assistant Secretary of State Acheson and the former Assistant Secretary of the Treasury Acheson. He is also the Acheson who was appointed by Attorney General Biddle as chairman of his committee on administrative law. This committee brought in a draft of a bill approved by Acheson which would confirm and approve the Frankfurter theory of government that the bureaucratic agencies of Government should not be reviewed by the courts in any effective manner, thereby confirming the present state of chaos and anarchy in administrative agencies permitting, I repeat, no effective review of government by

bureaucratic decree and regulation. This bill is now pending before the Committee on the Judiciary of the House.

Also, this Acheson is a brother of Professor Acheson, of George Washington University, who was a student of Harold Laski at the London School of Economics for several years. Laski was the socialistic secretary of Prime Minister MacDonald, of England; a well-known socialist of England; and a friend and collaborator of Frankfurter. Acheson of this law firm is known to be a friend and admirer of Harold Laski.

Attorney General Biddle has expressed the opinion that Congress had no such constitutional authority as was exercised in the above-referred-to appropriation act denying the use of public money on and after November 15, 1943, to pay the salaries of these three men unless they were nominated by the President and confirmed by the Senate.

Normally, under the applicable statutes, it is the duty of the Attorney General's office to defend suits against the United States in the Court of Claims and in the Supreme Court of the United States. Normally, under the appropriate statutes, it was the duty of the Attorney General to prosecute suits for frauds against the United States. However, in the cases of the Teapot Dome scandal, Congress did not have sufficient confidence in the then Attorney General Harry Daugherty and his staff to permit him to prosecute the Pan Petroleum and Sinclair Oil Co. cases, and Secretary of the Interior Fall and Doheny, who were involved in the Teapot Dome scandals. Congress enacted a special statute to provide that former Senator Pomerene, of Ohio, and now Mr. Justice Roberts should prosecute both the civil and criminal cases arising out of that scandal, and they did so. Mr. Speaker, Congress should take like action because the present Attorney General Biddle is not competent in this case and does not even wish to defend Congress in the exercise of its constitutional rights.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. CHURCH] be permitted to address the House for 5 additional minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CHURCH. Mr. Speaker, under the circumstances of this case, where the constitutional authority of the Congress over public money is involved, the Congress should, before January 12, enact a similar statute to provide that special counsel should defend these suits in the Court of Claims and in the Supreme Court, if necessary, to protect that constitutional power. The power over the public purse is the greatest power which a free people may have for the protection of their liberties. During the long ages of Anglo-American government it has been the power of the elected representatives of the people of England and of the United States over the purse-strings of their Government which has

held in check the officials of such governments.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield to my colleague.

Mr. WRIGHT. I agree with the gentleman that Congress should employ private counsel, and I intend to vote for a resolution such as that if it comes up. I also agree with the gentleman's proposition as to the liberal construction of the power of the purse. I do not agree with the limited theory which some other people, notably the Attorney General, apparently seem to entertain. But the Attorney General has the right; he even has the duty, if he honestly disagrees with that interpretation which the gentleman puts upon the power of the purse, to so state and to decline to take a legal position in which he does not believe. I do not agree, therefore, that any punitive action is in order against any officials who are expressing honest doubt as to a constitutional question. Constitutional writers agree that if a President or any executive officer believes an act of Congress is unconstitutional it is his duty to disobey that act and obtain a determination by the courts of the constitutionality of the law. That has occurred several times in our history, notably in the case of Jefferson's refusal to obey a subpoena in the Burr case, and also in Johnson's refusal to obey the Tenure of Office Act. Although I find it perfectly consistent to believe in the good faith of the Attorney General and also the various department heads, I agree with the gentleman as to the interpretation of the law.

Mr. CHURCH. I appreciate the gentleman's statement that he will insist on appointing special counsel for Congress in this important matter. I thank the gentleman for his contribution.

Mr. WRIGHT. I think we should. In this case is involved not only the particular case of these three men, but the broad prerogatives of Congress, and not only the prerogative of this Congress but of succeeding Congresses, and it is the duty of Congress, both the present Congress and the Congress of the future to defend its own power and prerogative against any other department of the Government.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield.

Mr. MUNDT. I want to say I find myself in rather complete agreement with the gentleman from Pennsylvania that the Attorney General is quite within his rights to follow the compunctions of his conscience wherever they happen to lead in the dictates of his judgment. Knowing the Attorney General's position makes it all the more reasonable why Congress should follow the suggestion you have just recommended and arrange for our own counsel. I certainly agree that this is really an historical case because it is going to determine whether or not the Congress, which has the right to appropriate money, also has the right to withhold money. And unless we have the right to withhold appropriations, the

power to make them is of small consequence.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. CHURCH] may address the House for 1 additional minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HOFFMAN. Will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman has spoken about this matter. Have you introduced any bill or resolution to employ counsel?

Mr. CHURCH. I have devoted much time to the preparation of a bill, but it is my thought that such a bill should be brought in through our colleague, the gentleman from North Carolina, Judge KERR, chairman of the subcommittee, or the chairman of either the Committee on Appropriations or the Committee on the Judiciary.

Mr. HOFFMAN. When are we going to get it so that we can vote on it?

Mr. CHURCH. I hope the bill will come in tomorrow or the next day. I understand the Committee on Appropriations is meeting again tomorrow to consider, perhaps, recommendations from its subcommittee chairman, the gentleman from North Carolina, Judge KERR.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. MERRITT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BARRY] be permitted to extend his own remarks in the Record.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. McMURRAY. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the Record and include therewith an article entitled, "Six Ways to Make Peace," written by Edgar Ansel Mower and appearing in the New York Post today, December 14, 1943.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RAMEY. Mr. Speaker, for some reason some mothers of soldiers and some soldiers are concerned that they may not get to vote. I hope that immediately we may pass the bill or a bill that every soldier in the armed forces everywhere may vote. I do not care whose name is on the bill. I do not care which political party has the bill. I hope that we will not get to the point where we

will wonder what will happen to this community or that community as to the method. The big thing is that every soldier may know now and that his parents and friends may know that each and every soldier may vote. They should know it and know it now. Let us not be disturbed as to who may influence his vote. His vote is his sacred right and the soldier may be depended upon to do straight voting. He shoots straight. As to how he votes is his own business. But he must be allowed to vote.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. ROWAN. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Chicago Daily News and another from the Daily Calumet of Chicago.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent that I may be permitted to address the House on Thursday of this week for 30 minutes, following the disposition of all business and any other special orders that may have been entered.

The SPEAKER pro tempore. Is there objection?

There was no objection.

KENTUCKY ELECTION

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I have taken this time to renew a request which has been made to me many times, that the gentleman from Kentucky [Mr. ROSSON], who had so much to do with the recent election in Kentucky, some time in the immediate future tell the House some of the facts in connection with that election; that he give us some idea of the arguments that were used, both from the public platform and in the newspapers, against the Republican candidate; that he tell us something of some of the stories that were circulated down there. In short and in brief, that he give us an account from the home front of just what happened in Kentucky, because there has been an attempt to make us believe that the election was not a repudiation of the New Deal.

This request comes not from two or three on the minority side, but from many Members on that side, and I am sure it would be very instructive to many Members on the majority side.

I hope the gentleman will favor us soon with an account of that election.

The SPEAKER pro tempore. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

ADJOURNMENT

Mr. ROWAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 24 minutes p. m.) the House adjourned until tomorrow, Wednesday, December 15, 1943, at 12 o'clock noon.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RANKIN:

H. R. 3843. A bill to incorporate the American Gold Star Mothers; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H. J. Res. 206. Joint resolution to assist in making additional manpower available during the war emergency and for 6 months thereafter, and for other purposes; to the Committee on Appropriations.

By Mr. JARMAN:

H. Res. 380. Resolution authorizing the printing of additional copies of the second intermediate report (H. Rept. No. 862) of the Select Committee to Investigate Executive Agencies, for the use of the committee; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LUDLOW:

H. R. 3844. A bill for the relief of Henry O. Heuer; to the Committee on World War Veterans' Legislation.

By Mr. REES of Kansas:

H. R. 3845. A bill granting a pension to Lula Alice Parr; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4069. By Mr. CARTER: Petition of the Board of Supervisors of Los Angeles County, Calif., opposing the passage of House bill 3018 and Senate bill 1257, permitting the Secretary of the Interior to purchase privately owned land in unlimited quantities under the guise of increasing food production; to the Committee on the Public Lands.

4070. By Mr. COCHRAN: Petition of Carl Lippman and 30 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

4071. Also, petition of Edw. L. Korkain and 30 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

4072. Also, petition of E. N. Peter and 30 other St. Louis citizens protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

4073. Also, petition of the American Legion Post, No. 299, and signed by 30 St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

4074. Also, petition of the Mayfair Hotel and signed by 30 St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

4075. By Mr. THOMASON: Petition of employees of the Southwestern Portland Cement Co. of El Paso, Tex., urging "freezing" of pay-roll deductions under the Social Security Act at present levels; to the Committee on Ways and Means.

SENATE

WEDNESDAY, DECEMBER 15, 1943

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of our fathers, author of liberty, we thank Thee this day for the wise and brave men who brought to the cradle of our infant Nation their gifts of unselfish devotion. We give Thee thanks for the clear vision of our forefathers who, when their own crimson sacrifice had broken the hateful chains of tyranny, refused to accept the coercive reins of even a benevolent government, setting the rights of the people above the rights of governors who are but the servants of freemen. We hail with joy the safeguards they erected, guaranteeing that in the sanctity of his person and the royalty of his convictions "man is man, and who is more." As we boast of these deeply grounded rights, which are the bulwark of our freedom, may we not lean upon them for selfish safety but constantly strengthen them by the same self-giving to the Nation's weal which marks for our immortal gratitude those who in dark and doubtful days pledged their lives, fortunes, and sacred honor to maintain the rights which are our heritage.

As soldiers of the common good deliver us from any thought or action which is treason against the freedom wrought for us by the founding fathers. Give truth to our words, sincerity to our hearts, and courage to our deeds in these times which are testing as by fire the treasure bequeathed to us. So may we in our day make patriotism beautiful with loyalty and dedication. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, December 13, 1943, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he also announced that on December 3, 1943, the President had approved and signed the following acts and joint resolution:

S. 630. An act to amend section 107 of the Judicial Code, as amended, to change the terms of the District Court for the Middle District of Tennessee;

S. 759. An act conferring jurisdiction upon the United States District Court for the Eastern District of Tennessee to hear, determine,

and render judgment upon the claim of W. I. Dooley;

S. 770. An act for the relief of Eddie Percle; S. 862. An act for the relief of the Grafton Boat Works;

S. 950. An act for the relief of the Milford Trust Co. and Blanche R. Bennett, as administrators of the estate of Charles E. Reed, deceased;

S. 1008. An act for the relief of Gerald G. Woods;

S. 1246. An act for the relief of Ervin S. Finley;

S. 1309. An act for the relief of Pan American Airways, Inc.;

S. 1382. An act for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions; and

S. J. Res. 47. Joint resolution to provide for the appointment of a National Agricultural Jefferson Bicentenary Committee to carry out appropriate exercises and activities in recognition of the services and contributions of Thomas Jefferson to the farmers and the agriculture of the Nation.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Andrews	Ferguson	Murdock
Austin	George	Murray
Bailey	Gerry	Nye
Ball	Gillette	O'Mahoney
Bankhead	Green	Overton
Barkley	Guffey	Radcliffe
Bone	Gurney	Reed
Brewster	Hatch	Revercomb
Bridges	Hayden	Robertson
Brooks	Hill	Smith
Burton	Holman	Taft
Bushfield	Johnson, Calif.	Thomas, Idaho
Butler	Johnson, Colo.	Thomas, Okla.
Byrd	Kilgore	Thomas, Utah
Capper	La Follette	Truman
Caraway	Langer	Tunnell
Chandler	Lodge	Tydings
Chavez	Lucas	Vandenberg
Clark, Idaho	McCarran	Van Nuys
Clark, Mo.	McClellan	Wallgren
Connally	McFarland	Walsh, Mass.
Danaher	McKellar	Walsh, N. J.
Davis	Maybank	Wheeler
Downey	Mead	Wherry
Eastland	Millikin	White
Ellender	Moore	Willis

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Connecticut [Mr. MALONEY], the Senator from Texas [Mr. O'DANIEL], and the Senator from Georgia [Mr. RUSSELL] are absent from the Senate because of illness.

The Senator from Florida [Mr. PEPPER] is absent on official business, holding hearings in Mississippi.

The Senator from Mississippi [Mr. BILBO], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Tennessee [Mr. STEWART], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Nevada [Mr. SCRUGHAM] is detained on public business.

Mr. WHITE. The Senator from Oregon [Mr. McNARY], the Senator from Vermont [Mr. AIKEN], the Senator from Minnesota [Mr. SHIPSTEAD], and the Sen-